Volume XXXVIII] *June, 1923* [*Number 2*

POLITICAL SCIENCE QUARTERLY

SOME NECESSARY STEPS TOWARD A SOLUTION OF THE UNEMPLOYMENT PROBLEM

THE great unemployment crisis through which the world is passing has focused public attention upon one of the most serious problems of modern industry—the economic insecurity of the worker. Every phase of civilisation through which a country passes has its own peculiar problems with regard to the economic security of the population. The first stage is simple: it may be illustrated by Pygmies in the Central African forests, who rely for their sustenance on wild fruits and the products of the hunt. But occasionally the food supply fails, and then, since no steps are taken either to hoard food as an insurance against "lean years" or to cultivate crops whose yield is more secure, the Pygmies starve. But even among more developed races, we find that crop failure is really the chief cause of economic insecurity in all countries which are mainly agricultural. The histories of Russia, China and India are lurid with records of terrible famines in which millions of human beings perished. In the early stages of mankind all such people acted as do the Pygmies to-day. They simply accepted the famine fatalistically, as an act of God. But as civilisation advanced, not only did individuals learn to take certain precautions and to find methods of relieving whatever distress arose, but orderly Governments were set up which, on behalf of the nation, could take steps to deal with the situation as a whole.

Normally, the first step taken in the direction of mitigating the peril of crop failure is to set up machinery for relief. The

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next is to safeguard the crops against future disaster by irrigation and better cultural methods, and also by improved transport to lessen the risk of famine due to any local failure of crops that still occurs.

In a primitive or agricultural community the economic insecurity experienced by the workers is not due to unemployment. Unemployment is a direct consequence of industrialisation, and the further industrialisation has proceeded the greater are the risks of unemployment and the graver are its consequences.

Unemployment was not the only evil which accompanied industrialism. In almost every country where large scale industry has been developed, it has initially been characterised by the ruthless exploitation of the workers. Men, women and little children of tender years have been driven to unhealthy factories, forced to work for incredibly long hours, and often subjected to cruel and brutal discipline till their constitutions were ruined. But another disaster took place. In the early stages of large-scale industry towns grew at an enormously rapid rate, and the workers oppressed in the factories were crowded into jerry-built houses, so inadequate, so hideous, so insanitary that they could not claim to be called "homes." Such houses have been not inaptly described as "cages for factory hands."

At first the attitude of the Government and the community to these conditions was based on the policy of *laissez-faire*. In some cases this may have been due to pure indifference to the suffering of the inarticulate mass; in others to the acceptance of the economic theory, most definitely formulated by Ricardo, that to give the utmost freedom to individual motives of self-advancement was really in the long run most conducive to the general welfare. But gradually the *laissez-faire* policy has been abandoned. The Government, urged on by the more enlightened members of the community, became increasingly conscious of its own responsibility for the security and welfare of the workers, whom it strove to safeguard against first one, then another industrial evil. To-day in practically every country where industrialism has been highly developed, the

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workers are largely shielded from its most serious immediate consequences. In England, we have a close inspection of factories, which are subjected to all kinds of regulations destined to promote the health of the workers and their immunity from risk in manipulating dangerous machinery The hours of work for women and children are restricted by law, and various dangerous processes are legally prohibited. During recent years, far-reaching measures have been adopted by the Government to protect workers against sweating and to secure a living wage. The workers are compensated for accidents which occur while they are at work, whether as a result of their own carelessness or that of the employer. Now it is a remarkable fact that while for nearly a century there has been a growing volume of legislation framed on the above lines, it is only during the last few years that any serious thought has been given to methods of safeguarding the workers against one of the most serious perils of industrialisation, namely, the economic insecurity associated with liability to unemployment. In England it was not until 1911 that we began to deal with this question. When Parliament passed the National Insurance Act, workers in the shipbuilding, engineering, wood-working and building industries were compulsorily insured against unemployment. The cost of insurance was shared between the employers, the workers and the State, and the workers when unemployed received a benefit of 7/– per week.[1] In 1916, certain other trades were included under the Act, and in 1920, the policy of unemployment insurance was greatly extended, so that now in place of the two millions insured under the 1911 Act there are about twelve millions of insured workers. All workers in the country whose earnings are less than £250 per annum, with the exception of domestic servants and workers engaged on the railways and in agriculture, come under the operations of the Act. It is quite clear that Britain, having once embarked on the policy of unemployment insurance, can never withdraw from it. Other countries

[1] Benefit was at the rate of one week for every five weekly contributions previously made, with a maximum of fifteen benefits in any twelve months.

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are experimenting with the same policy, but none have adopted it on anything like so generous a scale.

I propose later in this article to consider how far the action of the Government has been justified, and what have been the effects of unemployment insurance on industry and on the well-being and morale of the workers. But here let me point out that unemployment insurance is, after all, only a means of mitigating the worst consequences of actual unemployment. It resembles the administrative methods for relieving suffering from famine adopted in the agricultural stage of national development, and just as in agriculture the next stage is to endeavour to prevent famine, so in industry the next stage must be to endeavour to prevent unemployment. In this connection it is of the utmost importance to realize that unemployment on the scale we have experienced during the last thirty years, is not inevitable. At present there is a tendency on the part of the Government, employers and workers, to regard the matter as fatalistically as the Pygmies in Central Africa regard the failure of the crops. Once we make up our minds that the unemployment problem is at any rate capable of partial solution, and that it is possible by an adequate and wisely conceived scheme of insurance almost entirely to free workers who are able and willing to work from liability to privation and suffering through involuntary unemployment, we shall go forward with far more enthusiasm and confidence.

I propose to deal first with the prevention of unemployment, and secondly with the question of maintaining adequately those workers who are involuntarily unemployed. But let me say at once that I have no panacea to propose. No magician's wand is available for accomplishing the task before us. There is nothing for it but a slow laborious analysis of the whole existing situation, and a steady determination to alter it by every means in our power.

Before passing on to my actual subject, I should like to state that I am not here dealing with ultimate issues, nor with any proposals fundamentally to change the basis of industry, but with the practical steps that can now be taken, and which, though they are not likely to lead us to any immediate Utopia,

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will not stand in the way of such social reconstruction as may prove desirable and possible in the dim future.

The Reduction of the Volume of Unemployment

It is eloquent testimony to the fact that civilised communities have never seriously and consistently attempted to reduce unemployment, that no country in the world save Great Britain can produce satisfactory statistics as to what the volume of unemployment really is. Since 1920, when unemployment insurance was made compulsory for almost all industries, British statistics have been substantially accurate. Obviously, without such statistics, it is impossible to gauge the success or failure of different attempts to reduce unemployment. Moreover, until the community has uncontrovertible evidence of the extent of the evil, public support cannot possibly be guaranteed even for the wisest remedial measures.

(1) *Definition of Unemployment.* The first step in the preparation of the necessary statistics must be an international agreement as to a definition of unemployment. At first sight this may seem quite simple, but it is far from being so. I would suggest the following as a possible definition of unemployment, viz:—"*The inability of persons of normal capacity who are seeking work for wages, to find any suited to their capacities, and under conditions which are reasonable, judged by local standards.*" It is important to note that this definition confines the problem of unemployment to *employable persons.* The problem of how to deal with the aged, the infirm, the criminal or the work-shy is something quite apart.

(2) *Collection of Unemployment Statistics.*

After a definition has been decided upon, the next step must be for the different countries to collect the required statistics. I am fully aware that the cost of this procedure may be great, but on the other hand, the sense of economic insecurity arising from the risk of unemployment is undoubtedly one of the principal causes of labour unrest. We shall never have industrial peace until the menace of unemployment is removed.

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The outlay involved in collecting statistics is insignificant compared with the loss sustained each year in every industrialised country, through industrial conflict and friction. I suggest that agreement upon a definition of unemployment, and the collection of international statistics, should be an early task of the International Labour Office of the League of Nations.

In this connection, it is instructive to note that the reason why Great Britain is the one country possessing fairly accurate statistics of unemployment is that she alone has provided an almost universal national system of unemployment insurance, the satisfactory administration of which involves adequate statistics. It should however be added that the publication of these statistics has profoundly impressed the whole community, and has created a strong body of opinion in favour of far-reaching remedial measures in this connection. It may, however, be found elsewhere that the initiation of some measure of relief on a national scale may precede the assembly of complete statistics, in other words, that the first step may have to be taken to some extent in the dark.

(3) *Regularisation of the Normal Demand for Labour.*

Never before has the world known such an appalling amount of unemployment as has marked the years 1921–22. In some countries the crisis is passing or perhaps past, in others it is still acute, while in a few cases—if one may be allowed to forecast—a crisis of extreme severity appears to be imminent.

But though the post-war unemployment crisis, for which the war is to a considerable extent responsible, is the most severe that mankind has ever known, it would be a grave error to allow its exceptional acuteness to blind us to the full gravity of the problem with which industry has normally to contend.

In the present crisis, the proportion of unemployed workers in Britain rose to 23 per cent for a short period during the Coal Strike in 1921, and has not fallen below 12 per cent for the last 18 months, but normally before the war 500,000 workers were unemployed on the average, taking good and bad years

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together,[1] and there is no reason to suppose that conditions are materially different in other highly industrialised countries.

Everyone knows that trade moves in cycles, periods of boom being followed by periods of depression. Continually we are moving towards a boom or a depression. But is this inevitable? Does it pass the wit of man to devise some means for regularising the demand for labour? These trade cycles are artificial. They do not coincide with any natural law. Men do not alter periodically, so that at one time they require twice as much food and twice as many clothes as they require at another. Yet the whole trouble principally springs from this cyclical irregularity of demand.

Two proposals, which have often been put forward for regularising industry demand careful examination.

(4) *Bank Credit.*

The first proposal takes it for granted that the banks could do much to regularise industry by giving or withholding credit in such a way as to retard or to facilitate the production of goods. The suggestion is that bankers should cooperate to keep a very close watch on the condition of industry. When they see that it is expanding with dangerous rapidity, they should apply the brake by raising the bank rate, and similarly, when there are signs of approaching depression they should seek to stimulate industry by lowering the bank rate. Thus the peaks of over-production would be less high, the valleys of under-production less deep. It is, of course, easy to see many difficulties in the adoption of such a course. It assumes, on the part of bankers, a greater freedom from the desire for immediate profits than is common among other business men, as well as a prescience of industrial tendencies to which probably few bankers lay claim, while it requires a degree of co-operation among banks which would doubtless be exceedingly difficult to secure.

[1] From such statistics as are available, we may gather that in Britain, during the twenty years before the war, the proportion of unemployed workers varied from two to eleven per cent.

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Further, it might well be found that the proposal thus crudely stated is untenable. Individual industries or individual firms within an industry are prepared to take greater risks than other industries or other firms, and thus any common action on the part of the banks would probably yield very patchy results. If then, industrial development were to be regulated in this way to any extent, it would doubtless be necessary for banks to bring their influence to bear on comparatively small units rather than on industry as a whole or even an industry as a whole. But the fact that there are difficulties in the way should not prevent us from exploring this proposal with scientific care. By means of the trade barometer, to which I shall refer shortly, it should not be impossible for bankers to obtain information enabling them to discern when industry is reaching a danger-point either on the upward or downward movement. It would be well worth while for a body of financial experts to study the situation, and make a public pronouncement as to how far the desired end could be achieved by action on the part of bankers, assuming that practical difficulties were not insuperable.

(5) *Retardation or Advancement of Public Works.*

The second proposal for regularising the demand for labour, is that the central and local governments should advance their requisition of goods or services when trade is becoming depressed and retard it when trade is prosperous. In Britain there are distinguished writers who maintain that the worst evils of unemployment could be avoided simply by adopting this method. One of these recently calculated that on the average about a quarter of a million persons are engaged by private contractors in supplying for public bodies goods the demand for which could be advanced or retarded in accordance with the above policy. Obviously, if this view is correct, we have here a very valuable means of lessening unemployment. But is it correct? I suggest that every country, by careful enquiry into the facts, should endeavour to answer this question.

Personally I think that we must not expect too much from the civic and municipal action proposed, valuable though it

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may be. Its advocates are perhaps inclined to exaggerate the geographical and industrial mobility of labour, and also the extent to which it is actually possible for public bodies to withhold or advance their demand for goods. At the same time the policy is well worthy of careful examination, and adoption as far as possible.

(6) *Forecasting Trade Fluctuations.*

In many occupations, notably perhaps navigation and agriculture, much use is made of weather forecasts furnished by the Meteorological Office. Large sums of money are rightly spent in the preparation of these forecasts. They are not infallible, but they are sufficiently correct to be of great service. Now, a trade forecast is an equally important factor in lessening unemployment. A good deal of attention has been given to trade forecasts, in America, and systematic work in this direction is just beginning in England. It is work which should secure the cordial co-operation of all employers, and of the Labour Movement.

But reliable trade forecasts are also supremely important for those directly concerned with the administration of business, and their warnings might prevent much rash action. Only a very small proportion of employers either make for themselves a scientific forecast of future trade movements, or take advantage of those made by central agencies. In every country the best possible forecasts should be available for employers, and their use should be popularised.

(7) *Transport.*

Transport facilities, which are such an important factor in mitigating the severity of famine resulting from local crop failures, play no less vital a part in the solution of the unemployment problem. I can best illustrate this by reference to a practical example. Some years ago I was making a detailed investigation into various social problems in Belgium, and I then realised the important bearing of adequate transport facilities on the volume of unemployment. Belgium is better equipped with railways than any other country in the world.

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She has 53 miles of light and main railways per 100 square miles of territory compared with 22.75 in Great Britain, 18.32 in Germany, and 13.52 in France. Moreover, she issues workmen's tickets at marvellously cheap rates. At the time of my enquiry (1910) the rate per mile at which a workman could travel, making two journeys each day for six days, varied from 1/6d per mile, if the single journey was 6¾ miles, to 1/25d per mile for a journey of 62 miles. The provision of cheap and adequate transport facilities has two effects. First, it increases the size of the potential labour market for every individual. If a man cannot get work in his own town, possibly he can get it in another town and travel to and fro each day. Secondly, it enables an industrial workman to reside in the country although working in the town. Fifty-six per cent of the population in Belgium is resident in the country districts, although only twenty-three per cent of the workers are engaged in agriculture. Those resident in the country for the most part cultivate some land, and thus the division between the urban and the rural worker is rendered less sharp. An industrial worker unable to follow his trade generally occupies himself on his own land, or gets a job with some farmer in the country. But this association of the town worker with the land has another bearing on the unemployment problem. I have already stated that workers in an agricultural community do not, generally speaking, suffer from unemployment. This is absolutely true if they are cultivating land on their own behalf. The unemployment problem develops as soon as men begin to work for wages. Under the wage system a man is employed or he is not employed. In a time of trade depression a man who is only 90 per cent efficient stands very little chance of getting a job, but if he is working on his own land, a 90 per cent man can get 90 per cent as much out of the soil as a 100 per cent man can do. If, again, an industrial worker keeps his footing in the country, as he grows older and his chances of getting regular work lessen, he can depend more and more upon his land until ultimately he may rely upon it altogether, gradually adding to his holding until it is sufficiently large to make him self-supporting. In this way something of the security

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which characterises the agricultural community may be introduced into industrial life. In view of the above consideration, we shall recognise the importance of a study of the transport facilities of each country to see whether they can be so developed as to lessen the volume of unemployment.

(8) *Regulation of Labour Market.*

There has recently been much discussion in Great Britain as to whether the Government Employment Exchanges have justified their cost, and some critics maintain that they should be abolished. I am confident that such a view is based on inadequate consideration of the conditions which must be fulfilled if we are to deal effectively with the problem of unemployment. I would again urge the importance of approaching this problem in a large and bold spirit. Its solution is of fundamental importance to the community, and it cannot be solved by pettifogging methods. What is wrong with the Employment Exchanges in England is not that they cost too much, but that they have not cost enough. Their shortcomings, of which I am fully aware, though partly due to lack of experience, are primarily due to the fact that the whole service has been starved financially from the beginning. If the problem of unemployment is to be effectively tackled, it is essential that unemployed men should be advised of available jobs with the least possible delay. The worker's dreary tramp from shop to shop and factory to factory is an inadequate and wasteful method of bringing man and job together. There are many ways of meeting this difficulty, and various types of Employment Exchanges are being tried in different countries. Some are maintained by voluntary subscription, and many of the highly organized trade unions have set up Labour Exchanges for their members. There are, however, countless workers, especially among the unskilled ranks of labour, who do not belong to a trade union, and voluntary Employment Exchanges only cover an infinitesimal portion of the ground. I believe that the problem in its entirety can only be solved by means of a system of public Employment Exchanges available for everybody, which will act effectively and promptly.

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Space will not permit me to dwell upon the methods of administering, or changes which British experience indicates as being desirable. Reference may, however, be made to two outstanding facts. First, Employment Exchanges should have well paid, and consequently capable officers, to interview the applicants for work and to communicate with employers. Secondly, they should be closely linked up with those trade unions which maintain lists of unemployed workers. The arguments in favour of the abolition of Labour Exchanges, in Britain, like the objections to their establishment where they do not already exist, are based upon the *laissez-faire* policy which has been abandoned in connection with the majority of other industrial evils, and can be no longer maintained in the matter of unemployment.

An essential condition in dealing effectively with unemployment is so to organise the labour market as to avoid a glut of workers in one locality while there is a dearth in another, and to supersede the wasteful system whereby each factory tends to maintain its own reserve of workers. Such disorganisation inevitably causes unemployment, and it can only be effectively dealt with through a methodical co-ordination of Employment Exchanges. Moreover, as I shall show later on, a system of unemployment insurance is an inevitable part of the programme for dealing with unemployment; and universal Employment Exchanges are essential to the effective working of any insurance scheme. We cannot provide adequate Unemployment Insurance without taking steps to prevent malingering, and this can only be done by means of some organisation covering the whole field of labour in a locality, so that when there is a vacancy available for an unemployed man, he may immediately be advised of it, and his benefit may be stopped if he refuses a reasonable offer of work. Again, as pointed out above, Unemployment Exchanges, if not absolutely essential to the assembly of accurate statistics of unemployment, at any rate greatly facilitate their preparation. On these grounds, we shall be well advised to devote our energies to improving and developing the system of Unemployment Exchanges rather than to destructive criticism of them.

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Before passing on to other subjects, I should like to refer to the importance or giving wise advice to children leaving school regarding the trades which they should enter. The average parent has not the means of knowing the prospects of employment in different trades. If a trade is, at the moment, booming, he will be inclined to put his child into it. In each country some central agency should watch the movements of trade, keeping careful records, based on statistics and full knowledge of all pertinent facts, and forecasting the probable demand for labour in each industry, as far ahead as possible. Its information should be available through the school teachers or Employment Exchange officials to all children who enter industry. It is as important to distribute labour appropriately over industries as over localities.

(9) *Rapid Adjustment of Wages.*

I come now to a very different question, but one which must be faced in any attempt to deal effectively with the unemployment problem. Rising prosperity in industry is always sooner or later marked by rising wages. In times of trade boom these often reach a point which can only be maintained so long as the demand for the goods continues to be active, and people are willing and able to pay a high price for them. Depression in industry and consequent unemployment are aggravated by the high wages. Naturally, the workers, whose sole share in a period of trade prosperity comes to them in the form of wages, are reluctant to give up any part of these when prosperity gives place to depression. Just as wages tend to lag behind prices when these are on the upward move, so the reduction in wages often lags behind the reduction in prices when these are moving downwards, and this factor tends to exaggerate both the boom and the depression.

I do not believe this difficulty can be avoided while Labour's sole remuneration comes in the form of the weekly wage, and if we are to overcome it we must devise a means whereby Labour is given a share, other than the wage packet, in the prosperity of the industry in which it is engaged. Looking to the future of industry, I think we must work out some

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scheme of profit-sharing on a universal scale, under which Labour would receive as high a remuneration as industry could afford in normal times. It would then share in prosperity by receiving a prescribed portion of what may be termed "surplus profits". By this I mean profits in excess of those necessary to attract to an industry the supply of capital necessary for its healthy development. If this could be arranged, Labour would not be forced to fight for the highest possible wage in a time of prosperity, and then to resist any reduction in wages when the period of prosperity had passed. Obviously the weekly wage could not be fixed permanently, but variations according to the state of trade would be much less frequent than now.

I am fully aware of the difficulties connected with the formulation of satisfactory profit-sharing schemes, but they are not insuperable, and a closer partnership between Capital and Labour than exists under the wage system is a necessary condition of effectively dealing with the problem of unemployment.

I cannot here discuss the subject at any length. There are certain fundamental conditions which must be observed if progress in this direction is to be made. First, there must be an absolutely square deal between Capital and Labour, which makes it quite impossible for Labour to suspect trickery. Qualified accountants acting on behalf of Labour must have the fullest possible opportunity of acquainting themselves with the financial condition of the industry, so that they can certify to the workers that the agreement which they have entered into is being honourably fulfilled. Secondly, Labour must be given its share in the profits as a right and not as a charity, and thirdly, the scheme must not involve any conditions limiting the proper rights of the workers to safeguard their position in industry.

(10) *Relief Works.*

Hitherto I have dealt with the problem of regularising the labour market. We must now consider the steps to be taken when the normal demand for goods and services fails, and wide-

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spread unemployment presents itself. The Labour Party in Britain demands work or maintenance for unemployed persons, and the justice of this demand is increasingly recognised by the whole community.

First, as regards relief works, these have in the past been notoriously unsatisfactory. The men employed have felt that their work was artificial, while the ordinary discipline of the shop and fear of dismissal in case a certain standard was not maintained, have been lacking. Moreover, the work has often been unsuited to those engaged upon it. These factors have combined to bring about very unsatisfactory results.

It is possible that relief work will never be a complete success; but, if as was suggested above, the demand for work on the part of public bodies can to some extent be regulated according to the state of the labour market, the need for actual relief work will be less than in the past. That need, however, is pretty certain to arise from time to time, and every locality should consider, during periods of comparative prosperity, exactly what work could be undertaken if Unemployment becomes acute. All preliminary planning should be done thoughtfully and thoroughly, and the hasty improvisation of relief schemes which has usually characterised periods of industrial depression should be avoided. Above all, attention should be directed towards work which is of real value, and which will ultimately facilitate trade, or in other ways promote the well-being of the community.

The provision of houses, though not ordinarily called relief work, when undertaken with the primary object of reducing the volume of unemployment, constitutes relief work of the best type, and fulfills the above conditions. The capital expended will bring in a steady return, and at least 75 per cent of it will be absorbed by wages although probably not more than 40 per cent of it will go in wages to labour employed in the actual erection of the houses. Further, the stimulation of industry does not end with the erection of the houses, for when they are built, they often have to be newly furnished, and this gives rise to further work. Obviously, the extent to which housing can be employed as a form of relief work depends upon the

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number of skilled builders who are unemployed, though the proportion of unskilled labour might be much higher than it now is, if arrangements to that effect could be made with the trade unions. I know a Village Hall, built in concrete blocks with a roof of eternit slates, which has been constructed entirely in their leisure time by farm workers who had had no previous experience in building, but who were working under skilled direction. Of course, in making a suggestion of this kind, I am treading on very uncertain ground, and it would not be easy to secure the acquiescence of the building trade unions in any schemes which they thought might be inimical to their interests. But if, by the adoption of broad and generous measures, the menace of unemployment were removed from the minds of the workers, many of the barriers set up by trade unions to secure their members against unemployment could be removed, and concessions or agreements might be made which would be impossible at the present time.

One difficulty which emerges in connection with Relief Works in Britain, is that they are conceived in too local a spirit. The financial burden involved, although sometimes shared in part by the State, always falls most heavily upon the particular locality in which the work is carried out. The locality naturally objects to becoming liable for heavy costs in connection with relief work which will benefit other districts as well as its own. For instance, in the building of houses, the local purchase of building material stimulates industry far and wide. It stimulates not only the brick-making industry, but the mining industry, which provides coal to burn the clay, and the iron and metal industries, which furnish the house fittings. Again, a road or canal or light railway, which might represent a very wise capital expenditure, would affect the future of a whole group of localities, and it could hardly be undertaken by a single one. Such considerations point to the desirability of placing the financial burden of relief work on a broad basis, and relieving the pressure on individual districts. This may prove to be an essential condition, if schemes for relief work are to be really useful.

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The Maintenance of the Unemployed.

It seems to be chiefly in the above directions that we should look for means of lessening the volume of unemployment. It is not pretended that the list is comprehensive, and other means of attacking the evil will be revealed if persistent and careful consideration is devoted to the problem. But sufficient has been said to show that even the most practicable remedial measures will involve far reaching administrative action and the development of a social policy which will only yield results gradually. Moreover, when all that is possible has been done, there will still be an unemployment problem. What is to become of those for whom our remedial measures have failed to provide work? There are only two alternatives; one is to leave unemployed persons to fend for themselves, and the other is to provide them with maintenance. Now I think that we may rule the former alternative out of court. In Britain, at any rate, the conscience of the community, as I have already said, has awakened to its responsibility in the matter of those who are willing and able to work, but cannot find work. Although we are not prepared to treat them as paupers, we can no longer allow them to starve! We must, then, accept the latter alternative, and ask how maintenance can best be provided.

Before coming to details, let us examine the principle involved. It is clear that a reserve of workers is necessary for the successful functioning of industry; not, of course, so large a reserve as at present; a very much smaller one would suffice. But *some* reserve is necessary. If there were never a single worker unemployed, industry could only function with the greatest difficulty. Any enterprise which was developing would be apt to secure additional labour by robbing some other enterprise. But since the existence of a reserve of workers is practically inevitable, it seems logical that industry should accept at least the major responsibility for maintaining this reserve during the periods when its services are not required.

Since, however, it would clearly be in the highest degree unwise to expect industry to meet exceptionally heavy charges

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for the maintenance of unemployed workers during times of depression, just when it is necessary to cut all production costs to the lowest possible limit, it follows that some system of insurance must be arranged.

It may be worth while to dwell for a moment on the moral aspect of this responsibility. We have for so many generations tacitly expected the workers to shoulder the whole burden of unemployment that any other policy must be justified before we can cordially accept it.

Now, under the capitalist system the bargain struck between Capital and Labour really amounts to this. The former says to the latter: "Let us unite our forces for the purpose of producing wealth. The first charge on the product of our enterprise shall be the payment of your wages week by week. Then, when all the other costs of the business have been met, if there is anything over I claim it. I am justified in taking the whole surplus, as I take all the risks."

But obviously, one of the most serious risks in industry is that of unemployment, and if Capital refuses to shoulder that risk it is abandoning one of the principal justifications for the continuance of the present system. Capital already covers by insurance such risks as that of fire, loss of goods in transit, liability under the Workmen's Compensation Act, and countless others. Again, knowing that a period of prosperity may be followed by a period of adversity, it sets aside reserves, so that it may receive in the lean years a dividend which has not actually been earned. What I am here advocating is that it should also put aside reserves for the payment of labour, during the waiting period in which that labour is not absorbed. If this policy were pursued, insurance against unemployment would become an ordinary item in the cost of production just like other insurance premiums.

It is not impossible actuarially to measure the extent of this risk; but here two questions arise. First, what relation should unemployment benefits bear to the earnings of the workers when employed? Secondly, who should pay the premiums? In answer to the first question, since periods of unemployment are an inevitable condition of industry, a case could be made

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out for making unemployment benefits equal to the wages. But, human nature being what it is, I do not think it would be practical politics to pay wage-earners generally on the same scale whether they were at work or not, especially as they, unlike salaried workers, are paid for over-time. On the other hand, one cannot defend the policy of merely paying the minimum sum which is necessary to keep the body and soul together. *The right principle is to pay unemployment benefits on a sufficiently liberal scale to remove the menace of unemployment, but not on so high a scale as will actively encourage malingering.* If this principle be accepted then unemployment benefits must vary with the normal earnings of the workers when employed, and also with the number of dependents for whom they have to provide. A flat rate of benefits—the same for an unskilled labourer as for a highly skilled craftsman—will either be too high for the former or too low for the latter. Again, benefits sufficient to prevent serious privation and suffering in the case of a married man with a family of dependent children will be much more than is necessary for a single man. An unofficial committee in England recently published a scheme which provided for unemployment pay on the following scale: [1]

50 per cent of the average earnings for all workers, with an addition of 10 per cent for a dependent wife, and 5 per cent for each dependent child, with a maximum of 75 per cent of the average earnings.

I believe that this scale would be found satisfactory, and I suggest it as a definite basis for any scheme of unemployment insurance. Benefits on this scale have been paid throughout the match industry in Great Britain, and in our own factory which employs over 7500 workers, for some time past, with most satisfactory results. The principle of varying the benefit with the normal earnings is adopted in connection with compensation for accidents, and the reasons which led to its adoption in that case apply with equal force in the case of unemployment.

[1] As this scheme has very much to commend it, I give it *in extenso* in the Appendix.

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I now come to the question: Who shall pay the premiums? They might be paid by the State, by the employers or by the workers, or by any combination of these.

The payment of the whole by the State may be ruled out; since the responsibility for Unemployment Insurance should rest primarily upon industry. Still, the State cannot be completely absolved, for those not directly concerned in industry are intimately interested in its activities. Moreover, the State policy, whether at home or abroad, reacts upon industrial conditions.

As already indicated, a strong case could be made out for placing the whole burden on employers. But though I regard it as incumbent on them to take the steps necessary to institute a scheme of adequate unemployment insurance covering all workers, there are reasons, largely psychological in character, why it would be unwise to lay the whole burden directly on their shoulders. It is desirable for Labour to feel that it is accepting a definite part of the burden even though a comparatively small one, and is interested, along with Capital, in reducing unemployment.

On the whole, I think that the right policy is to distribute the burden of providing the premiums among the three parties concerned—the State, the employers and the workers, laying the heaviest part of it on employers. This is the policy adopted in the British National Unemployment Insurance Scheme.

Now let us see how large the burden is likely to be.

As previously stated, from such statistics as are available, and ruling out the quite unique wave of unemployment following the war, it would appear that on the average, taking good and bad times together, about five per cent of the workers in Britain are unemployed, and there is no evidence to show that the proportion is widely different in other industrial countries. Thus, even if full wages were paid to unemployed workers, the burden on industry would only amount to about 5 per cent on the Wage Bill, while the payment of benefit on the scale proposed above would amount to between 3½ per cent and 4 per cent on the Wage Bill. As regards sharing the

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burden, I suggest that a fair arrangement would be for the employer to pay 2½ per cent on his wages bill, the worker 1d. in every complete 10/– or rather less than 1 per cent of his wage, and the Government the remainder, equal to about 0.25 per cent of the wage bill, and in addition the administrative charges connected with the scheme.

I am assuming that the scheme is a national one. After a very close examination, I am convinced that this is the only way of dealing comprehensively with the question. There are industries which are so clearly defined, and so well organised, that they could undertake the responsibility for providing adequate unemployment insurance for their numbers; but, on the other hand, there are great numbers of ill-defined or unorganised industries for which an individual insurance scheme would be impracticable. Moreover, multitudes of workers habitually pass from one industry to another according to the demand for labour and it is important not to lessen their mobility. For that and other reasons, we must, first of all cover the whole country by means of a national scheme, from which individual industries would be at liberty to contract out, if they could provide their members with benefits as good as those under the national scheme.

In considering the cost of insurance to the employer, the importance of the reactions to be secured, if the menace of unemployment is removed, must not be forgotten. At present, there is no doubt that much of the "ca' canny" policy of which employers complain, and many of the crippling conditions imposed by trade unions, are directly attributable to the fear of unemployment. Men are afraid of working hard lest they work themselves out of a job. It is often on that account that piece work and other methods of increasing output are resented. Once remove this handicap, and such difficulties will tend to disappear. It is not extravagant to assume that the reactions obtained by an adequate scheme of Unemployment Insurance will largely, if not entirely, make up for the cost incurred. This is one reason why the employer, in the first instance, should contribute a greater share of the cost than Labour.

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It is often urged that the workers will become hopelessly demoralised if "they are paid for not working" and much criticism has been directed against the unemployment "dole". It is necessary, therefore, carefully to examine this aspect of the question.

Some employers maintain that it is only the fear of dismissal which induces many workers to give a fair day's work. "Remove the menace of unemployment," they say, "and you will witness a serious slackening of effort on the part of the workers". In considering this criticism, it is important to remember that we are not contemplating a "dole"—some gift made to unemployed workers, by a beneficent State. What is proposed is that employers and workers shall contribute to a scheme of insurance against a risk which is inevitable in modern industry. There is a vast difference between taking a dole from the Government as a pure gift, and securing by means of insurance benefits for which payments have been made. A prudent man insures his house against fire, and if it is burnt down, he does not feel that he is asking for charity when he claims the insurance money, even although he may only have paid one or two premiums. In the same way, a workman insures against the risk of unemployment, and when it occurs, he may, without any loss of self-respect, claim as a right the benefits towards which he has contributed.

Again, unemployment benefit will be payable only to those involuntarily unemployed. I have never known a scheme proposed under which it would be paid to a man who had voluntarily thrown up his work, or who had been dismissed for misconduct. Moreover, benefit would at once be stopped in the case of a man who refused any reasonable offer of work.

But the criticism of some employers will not be met by these arguments. Put quite baldly, they maintain that only the fear of starvation and suffering for themselves and their families, will induce some men to put forth their best efforts to keep their jobs, and will make them agree to accept wages and other conditions which the employers regard as necessary.

I suggest, however, that such an argument, which might have been regarded as valid fifty years ago, cannot be seriously

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maintained to-day. It savours too much of those old-fashioned school-masters who say they can only make boys work by the free use of a cane. We are coming increasingly to realise that leadership must take the place of fear as a dynamic in industry. I doubt whether much use will, in future, be found for the employer who can only get his men to work, or to see reason, by threatening to starve them and their wives and children if they refuse. In the army, a captain who cannot lead his men will never succeed, and this will become increasingly true of captains of industry in the future.

But while expressing this view, I do not wish to dismiss the criticism as entirely unworthy of consideration. It is because I have taken it into account that I do not advocate benefits which would give a man as high an income when idle as when at work. I believe the scale I propose above, while removing the real menace of unemployment, would still leave men with a strong inducement to get back to work as soon as possible—and moreover administrative checks to malingering, through the agency of a national and efficient system of Unemployment Exchanges, are an essential part of the scheme. But we are not entirely confined to theory in deciding whether unemployment insurance is demoralising, for there is a considerable amount of experience in Britain to guide us.

The question is discussed at length in a report written, after careful enquiry made on the spot in September 1922, in a number of typical British towns.[1]

The writers of this report conclude a considered statement of the effect of unemployment allowances on the morale of the recipients, in the following terms:—

> The worst effects of trade depression, sheer physical privation, and consequent physical deterioration, seem to have been prevented in the present depression. There is much real suffering affecting classes that were less affected in pre-war depressions. That there is strain is certain, and a recovery of trade may reveal a loss of industrial quality; the strain, moreover, is increasing, and in the coming winter when savings are exhausted, even workers in partial employment may be

[1] *The Third Winter of Unemployment* (P. S. King & Son, London, 1922).

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unable to maintain themselves; but at present the signs of demoralisation are not apparent. The great discovery that has been made is that a system of allowances by which the worst effects of distress are prevented does not necessarily involve widespread demoralisation. As yet, however, we are only on the threshold of a third winter. What effect a third, and perhaps a fourth and fifth winter might have, it is impossible to foresee.

In considering the bearing of this report on the subject we are considering, it must be remembered that the allowances made to unemployed persons in England during the present depression have necessarily assumed forms more likely to demoralise than those proposed above. The fact that, save for a few industries, unemployment insurance was only introduced when unemployment was acute, and before any reserve funds could possibly be built up, made it necessary for the State to supplement the scheme very largely—and thus to give to the allowance the aspect of a big State "dole" rather than a true insurance benefit which had been paid for. Moreover, the benefits have been on a much lower scale than is here proposed, and in countless instances have had to be supplemented by poor law relief; and lastly, the scale of benefit has borne no relation to the normal wages of the workers concerned. They have borne a comparatively high relation to wages in the case of low paid or casual workers, among whom the risk of demoralisation is the greatest, and an entirely inadequate relation to wages in the case of skilled workers, where that risk is the slightest.

Moreover, owing to the pressure of special circumstances it has been impossible to apply many of the administrative checks which would normally be applied to prevent malingering.

Thus, while the Government may be congratulated on having coped with the situation, even as efficiently as it has done, the present scheme is certainly capable of great improvement. The fact that its drawbacks have not caused serious demoralisation leads us to look forward very hopefully to the results of a far better scheme, such as can be evolved in the light of present experience.

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Let me now very briefly sum up what has been said. Unemployment on the scale with which we have been familiar during the last fifty years is not inevitable. It could and should be greatly reduced in volume, and workers should be entirely protected from suffering due to involuntary unemployment.

There is no single panacea for unemployment. It is due to a number of causes, and its remedy must be sought in many directions. The first step is for all industralised countries to agree upon a definition of unemployment, and provide means of accurately measuring its volume. The next is to arrange for a central organisation, such as the Labour Department of the League of Nations, or, alternatively, an organisation in each large industrial country, to undertake a scientific investigation into the causes of unemployment and to the measures which should be adopted to counteract them. The evil of unemployment will never be removed unless some authoritative body or bodies, which have the confidence of the Governments concerned, are working steadily to that end.

I suggest that among the remedies which should be examined are the following:—

(1) Can cyclical changes in the demand for goods and for labour be rendered less acute by means of concerted action by bankers, as regards the terms on which they will grant credit for industry and commerce?

(2) How far is it possible for central and local government bodies to withhold or advance their demands for goods and services according to the state of the labour market? Suppose they adopted such a policy to the fullest extent possible, how far would this reduce the total volume of unemployment?

(3) To what extent would improved transit facilities help in reducing unemployment (a) by increasing the potential labour market for unemployed men (b) by enabling town workers to live in the country, and to rely on the land as an alternative source of income?

(4) Can some means be devised of giving workers a share in the prosperity of industry other than through the wage-packet, and thus rendering less frequent and less diffi-

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cult the constant wage changes which accentuate trade fluctuations?

(5) What steps should be taken to render relief works more effective and less wasteful than they often are at present?

I do not refer to the question of the present state of international politics, or the currency of certain European countries, which are the basic causes of the phenomenal trade depression from which Europe is suffering to-day. I am here concerning myself with the permanent cause of and remedies for unemployment, and only mention the temporary ones to show I have not forgotten them.

Passing to the question of maintenance for those capable of work and unable to find it, I suggest that Britain, at any rate, has quite definitely and finally accepted the principle of "work or maintenance." Maintenance can best be provided by a scheme of insurance to which employers and workers should contribute, with some assistance from the State. In deciding the amount of maintenance to be provided, we should be guided by the principle that it must be sufficient to remove the *menace* of unemployment, but not so liberal as to induce malingering.

Finally, the experience of Great Britain during the last two years strongly supports the view that the receipt of unemployment benefit, not as a free gift but as the result of insurance, does not tend to demoralise the workers.

APPENDIX

UNEMPLOYMENT INSURANCE

November 20, 1920.

The suffering caused by unemployment has been generally recognised, but too little attention has been paid to its reaction on production. Industry moves in a vicious circle, additional production is necessary if poverty is to be abolished and unemployment relieved, yet labour instinctively resists every kind of productive improvement lest it should cause unemployment. Improvements in machinery, in the reorganisation of labour with a view to using more effectively skilled grades by means of dilution and in other ways, the introduction of systems of payment by results which have been proved to stimu-

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late production, are all resisted more or less openly, and in every case fear of unemployment is largely responsible for the resistance. It is true that the fear may be largely unjustified, and that "ca' canny" may accentuate the very evil it is intended to prevent. But such facts are irrelevant: the rank and file of labour believe that improvements bring unemployment, and no one has ever succeeded in convincing them that they are wrong. Nor is it any use to argue and make agreements with the leaders of labour. It is the instinctive action of the rank and file that counts. An immense potential increase in the productivity of industry awaits release, and only the complete removal of the menace of unemployment can release it.

The present Unemployment Insurance Act at best is a palliative rather than a remedy. The benefits it offers are not in themselves sufficient to prevent the household in receipt of them from deteriorating week by week in both physique and *morale;* while in any case those benefits are only continued for a limited period. Such provisions cannot banish the fear of unemployment, or the industrial policy to which this fear gives rise among the workers.

We consider that the State should deal with this problem on effective and permanent lines. It should admit the claim of all adult wage-earners who are willing to work and capable of working to either suitable employment or adequate maintenance throughout their working lives, and it should satisfy that claim by legislation providing unemployment benefit varying with the needs of the worker and his family (with a minimum and maximum).

Our detailed proposals are as follows:—

(1) *Definition of "Insured Persons."*

Subject to certain exemptions referred to later, the statute embodying the scheme should apply to all manual workers, and to salaried workers receiving not more than £400 a year, between the ages of sixteen and seventy. The exemptions should be those set forth in the Unemployment Insurance Act, 1920, with the possible exception of railwaymen.

(2) *Rate of Benefit.*

The rate of benefit should be fifty per cent of the average earnings of the insured person, with ten per cent additional for a dependent wife, and five per cent for each dependent child under sixteen, provided that the total benefit should not exceed seventy-five per cent of the average earnings, nor should it in any case exceed £5 a week.

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We consider it to be essential to fix a minimum for adults (of say 25s.), because we think that half-wages, especially in the case of women workers, may sometimes be inadequate. In the case of seasonal or other exceptional trades, special provisions should be made for the calculation of the earnings on which the rate of benefit is based. Benefits should be payable after three days' unemployment, and should be limited to one week's benefit for every six weekly contributions previously made; but in order to give the necessary sense of security from the beginning an adequate number of payments should be credited to all workers at the initation of the scheme. The present limitation of benefits to fifteen weeks in any one year should be altered to one of twenty-six weeks. If the reactions sought are to be obtained we must aim at removing the *menace* of unemployment. We favour the limitation of benefit to one week for every six weekly contributions as a necessary safeguard against persons who are such unsatisfactory workers as to be practically uninsurable.

(3) *The Cost of the Scheme.*

We have made such estimate of the probable cost of the suggested scheme as was possible with materials at our disposal. We place the figure at about fifty-two million pounds per annum, exclusive of the cost of administration.

(4) *Sources and Amount of Contributions.*

The contributions should be levied on the wage-earner, the State, and the employer. It is suggested that the worker's contribution should be at the rate of one penny on every complete ten shillings or part thereof of his earnings; that the State's contribution should be ten million pounds annually, plus the cost of administration: and that the balance needed to enable the fund to pay the statutory benefits should be raised by a levy on employers. That the scheme may be put into early operation and financed during abnormal trade depression, it is proposed that the employer's contribution should be fixed for a term of (say five or seven) years at an amount which it is estimated will enable the fund, if the worker contributes twopence in the pound on wages and the State its fixed contribution, to bear the statutory claims upon it. The State should then act in practice in the capacity of an Insurance Company. If there is a profit or a loss on the seven years' working, the State should take the full benefit or bear the cost of this. The Government actuary should then re-assess the contributions for a further period of seven years on

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the experience of the previous term, the Government's contribution continuing to be the original figure of ten million pounds, plus administration expenses. According to our estimate the cost of the scheme would be divided among the three parties during the first period in the following proportions :—

State	10 million pounds.
Workers	12 million pounds.
Employers	(not more than) 30 million pounds (or approximately two per cent of the wage bill).[1]

Our suggestion is that while the workers' contributions should be the same in all industries, the State, as soon as the necessary statistics become available, should have power to vary the employers' contributions in a given industry, according to the amount of unemployment in that industry.

(5) *Contracting Out.*

An industry that contracts out would be required to collect the statutory rate of contribution from the workers, and to pay the statutory rate of benefit. The State would contribute at the same rate per worker as under the general scheme, and the employer whatever was necessary to provide the benefits.

(6) *Administration.*

We suggest that the method of administering the fund should be that set up under the Unemployment Insurance Act, 1920.

We are advised that with certain greatly needed and practical alterations in the administration of the Employment Exchanges it will be possible to prevent malingering.

The chief points in our proposals are as follows :—

(1) Unemployment benefit takes the form, not of a fixed amount, but of a proportion of the worker's regular wage, adjusted to the number of dependents.

(2) The State subsidy to unemployment insurance is increased, in order to finance the higher scale of benefit and justify a higher contribution from worker and employer.

(3) Whilst the worker's and the State contributions are fixed, the employer's contribution varies, being made to bear the residuary cost of unemployment in his industry.

[1] These figures referred to a time when wage rates were much higher than now. The cost would be much lower now. But the ratio between the insurance premium and wages would be unaltered.

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The proposal is supplementary to the Unemployment Insurance Act (1920). That, and previous Acts, will have established the whole administrative machinery needed to work the proposal, which could thus be grafted on to the existing system.

Its adoption would give a new usefulness to Employment Exchanges, since the higher rates of contribution and benefit would make the question of safeguards much more important, and the system of exchanges for registering all applications and openings for employment would be recognised by the most prejudiced employer or union official as necessary.

Essentially the proposal is one to compel industry to create a *wages equalisation fund*, and to give employers an incentive to eliminate every removable cause of unemployment. It is suggested that not only would such a policy be worth almost any cost in the suffering which it would alleviate, but that it would prove in practice to be just as sound a policy financially as is a Dividends Equalisation Fund.

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YORK, ENGLAND.

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THE LIVING WAGE AND THE NATIONAL INCOME

IN connection with the subject of wage determination there have cropped up in recent discussion two topics which will form the basis of the following comment—one the relation of the national income factor to the "living wage"—the other the relation of general wages to national productivity.

To prevent misinterpretation it may be well for the writer to emphasize at the start, as his philosophical approach to the subject, the following three beliefs:

First, that the underlying purpose of industry is not the private adventure or profit of employers but the economic well-being of all.

Second, that the welfare of wage-earners is one of the most important questions if not the most important question in the conduct of industry.

Third, that the primary responsibility is upon the employing group to endeavor so to perfect the industrial processes that each worker may be provided with a wage that will give him at least all the ordinary comforts of life.

The following considerations, however, must be kept in mind: In the first place, the time element is an important factor in national productivity; no matter what the will may be, the wastes of our industrial productivity cannot be eliminated over night.

In the second place, without subscribing to the theory that the wage question is to no extent a question of division between wages and profits, such data as that recently published by the Bureau of Economic Research suggest that to a larger extent than previously recognized there are three factors that are of primary importance: (1) national productivity, (2) the proportion between the incomes of different groups of workers, and (3) the proportion between the incomes of industrialists and farmers.

With these considerations in mind it may be said that the difficulty with the living-wage idea is that its relation

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to the capacity of the national income has in many cases been ignored. It is true that some who are sponsors of the idea have recognized this relation. For example, Professor Herbert Feis says in a recent book:

> . . . This essential relativity of the living wage idea is well pointed out in a decision of Justice Brown of the South Australian Industrial Court as follows: . . . "The statutory definition of the living wage is a wage adequate to meet the normal and reasonable needs of the worker. In other words, the conception is ethical rather than economic. The Court has not to determine the value of the services rendered, but to determine what is necessary to meet normal and relative needs. It should be obvious that in the interpretation of reasonable needs the court cannot be wholly indifferent to the national income. The *reasonable needs* of the worker in a community where national income is high are greater than the *reasonable needs* of the worker in a community where the national income is low.

In other words, a living real wage in Germany or Austria today is far different from a living real wage in Germany or Austria of 1914. A living wage in China is different from a living wage in England.

On the other hand this feature of relativity and reference to a rule of reason seems to be wholly ignored by some economists, by public authorities and in much public discussion. For example, the minority opinion in the recent Railroad Labor Board decision did not allude to it.[1]

This attitude is largely due to a defect in terminology. The very words "living wage" are a half-truth. They are rhetorical rather than scientific, and do not suggest that either in making up or in applying a particular set of figures the national productivity of the particular country and year should be taken into consideration. The term includes the comfort factor and excludes the national income factor.

Nor is it clear from the language Judge Brown uses or from discussion elsewhere with respect to this process of relativity

[1] Professor Ogburn in a recent paper before the American Economic Association did not allude to it except to suggest that production could be increased by elimination of waste. But in this allusion he wholly ignored the time element.

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whether it is the statistician or the court who is to make the correction of the comfort factor by a consideration of the national income factor. Professor Feis suggests in making up cost-of-living figures an index number of *total* commodities be used instead of merely retail prices of articles actually consumed, because it would insure a closer accord between wages and total product than the widely used present method. It is not amiss to suggest that a much better method of aproach would be to use ordinary cost-of-living figures and to supplement them with index figures of per capita national productivity if they can be secured, in the first place because this method is more direct and, secondly, because it is healthy to advertise to all concerned just what the limits of the national income are and have been.

In any event the figures which are generally advertised as a living wage indicate that the correction has not been made and that the comfort factor alone has been considered. The figures of the Bureau of Economic Research show that 71.4 per cent of the products of mines, factories and land transportation in 1918 went as pay to manual and clerical employees excluding salaries of officials, and that for that year the average yearly earnings of the same group in mining, factories and transportation were $1,283, $1,148 and $1,286 respectively. Professor Ogburn estimated that the minimum of subsistence in June of that year, for a family of five, living in a large Eastern city was $1,350 to $1,400, and in November, about $1,500. The National War Labor Board estimated what was called the minimum comfort level in June, 1918, for a family of five in such a city, as $1,760 a year. In 1919 the national income, according to the Bureau of Economic Research, was $62,000,000, being $1,690 per person gainfully employed, whereas the Bureau of Labor Statistics estimated as a standard of health and decency for August of that year for a family of five living in Washington, a budget of $2,262.47 and for October of that year, $2,288.25. These figures were widely published and their presentation to the public was not coupled with any discussion of the figures of national production nor was there any suggestion that the national income imposed any limits. To make

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budgets without even discussing income is just as rash in public as in private life.

I shall not touch upon the controversy as to what kind of a family or what kind of comforts or necessities should be considered in making up the figures of a living wage, nor am I belittling the realities represented by figures of the comfort factor. The standards set are none too high for providing for comforts which every enlightened person desires that a workman should have, but it does seem to me that if we consider this factor alone without taking into consideration the national income factor there is at least some reality in the suggestion that it may lead to "profiteering" of one group of workmen against another or against the farmer.[1]

I agree with the theory of the "potential economy of high wages"[2] and recognize that the demand for a reasonable standard of comfort may be a spur in affecting economies of management and the installation of labor-saving devices, but it is submitted this does not obviate the desirability of emphasizing that the national income factor must also be taken into consideration in setting a fair wage. If we continue to use the term "living wage" it should be explained or qualified wherever used and its presentation should be always coupled with a discussion of the national income factor.

Otherwise we are furnishing ammunition to the ultra-conservatives on the one hand and to the demagogues on the other. It acts both ways.

As far as the ultra-conservatives are concerned, it is easy for them to demonstrate that to set up a wage based on the comfort factor alone as indicated by the use of the term "liv-

[1] Curious inconsistencies sometimes arise from our "money economy." Pioneers in social justice seem at times quite reconciled with and indeed defenders of radical increases in the real wages of one group of workers at the expense of other members of the community including other workers. They overlook the fact that such disparities may be a retarding influence in the maximum usefulness of a particular commodity or service and thus act as a brake on productivity. They also overlook the fact that the beneficiaries of a labor monopoly are apt to use up in consumption a larger part of their gains than the beneficiaries of a capitalistic monopoly, the latter being apt to invest a more considerable part than the former in producers' goods.

[2] See the Minority opinion of the Railroad Labor Board.

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ing wage," is dangerous. The living wage, they say with some justification, means that certain groups to which the test is applied will profit at the expense of other groups of the community, or if it be applied to all, which is probably impossible, we merely raise prices and dislocate industry. Thus this man of straw which has been conveniently set up is knocked down and the comfort factor in its entirety (and by association, any attempt at scientific wage determination) is discredited. By using the term "living wage" without making clear the relation of national industrial productivity to it, liberal, middle-of-the-road public opinion may be alienated, enlightened social reform imperiled, and the effort to make wage settlement a justiciable instead of a non-justiciable question retarded.

Extravagant terminology supplemented by extravagant figures discredits with a large part of the public the whole method of utilizing scientific data for wage determination and relegates it either to the higgling of the market or in the case of arbitration to a balancing of relative power. Thus even as a moral offensive this course would seem to be poor tactics.

In the other direction, by failing to emphasize this relativity to the national income, false hopes that cannot be satisfied are raised in the minds of an untrained public and catchwords furnished to the purveyors of quack economic remedies.

The economist has a most important duty with relation to the clarifying of public thought and discussion on such subjects. It is his function to discourage muddy thinking and encourage true sophistication. This will not be promoted by loose terminology that suggests half-truths or by failure to emphasize in what he says or writes important factors in the situation.

By all means let economists hammer at the idea that the present real wages do not in many instances provide what common sense considers adequate comforts, and point out that management, though primarily responsible for the successful operation of our productive system, is in a larger measure than labor wasteful in producing the national income; but let them not in the process create false public impressions as to what can be done in the immediate present.

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We come now to the second point of this discussion, the question of the relation of general wages to productivity. While it has been emphasized in the first part that the living wage built up on family necessities alone without relation to the national income is not a safe criterion for fixing wages for a particular group, it must be kept in mind that the total national productivity may be affected by a general wage policy. Industry is dynamic and wages may be a cause of a change of conditions as well as an effect of conditions.[1] Just as real wages are limited by the amount of national income, so the amount of general money wages that are paid at a particular time may influence the future national productivity.

Extremists on one side suggest that there is just so much national production, there are just so many laborers, and, as only a small proportion goes to capital and management, to raise money wages generally is not to raise real wages, but merely to increase prices and create economic disturbance. Extremists on the other side suggest that if wages were raised radically in some miraculous way, production would increase—in other words, we could, as it were, pull ourselves up by our own bootstraps. I think we may safely take a middle ground and assume that it is at least possible that the rate of progress of national productivity may be substantially affected by the particular wage policy that is adopted.

Particularly at certain critical periods of a business cycle, it would seem as if the policy, liberal or otherwise, that is adopted by industrial leaders and arbitral boards, may have an important influence on the future trend of the cycle and upon future national productivity.

In order to make the point clear let us suppose that we are at that point in the depressive period of a business wave when wages are being deflated. A certain amount of deflation is inevitable and necessary, but at this juncture employers and arbitral boards are under the necessity of deciding just how drastic the cuts are to be. They decide not to make too drastic a cut, but to make up the balance of the saving in cost that is

[1] *Cf.* Taussig, *Quarterly Journal of Economics*, vol. XXX, (May, 1916), p. 427.

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necessitated by the lower prices they are receiving for their goods, by increased managing efficiency and the installation of labor-saving devices. In other words, by maintaining wages at certain levels at such a time, by discounting the future and not cutting quite to the extent indicated by the decrease in the cost of living index, but instead leaving a little "play," employers may challenge themselves to create a greater *per capita* productivity.

There is another aspect of the question on which I will not elaborate here, and which has been touched upon by some practical observers of economic trends—whether the fact that money wages are maintained at such a period does not prevent a diminution in the resources of the large consuming public, and thus accelerate a resumption of business activity. At such a time we need a "broad purchasing market to absorb our production."[1]

But to come back to the question of productivity. There are economists, I am sure, who are skeptical whether the rate of progress can be accelerated in this way. They take a rather fatalistic view and assume that the rate of progress, the secular trend of production, is constant; that statistics indicate there is a normal growth in industrial arts, a very definite regular increase in productivity, which cannot be affected in this manner. Any departure from a policy of drastic wage deflation at such a juncture, they say, would merely have the effect of keeping up prices and perhaps disturbing healthy liquidation and getting down to a so-called normal price level. I am one of those who are inclined to believe that a less drastic policy would serve to accelerate productivity as suggested and be a more healthy influence.

Here is a question for future study and there are of course other periods where decisions on general wage policies may have an important influence. Any light that is obtained on this problem should be of practical usefulness, for there are many among the industrial leaders who consider the public

[1] Address of Julius Barnes, President of the U. S. Chamber of Commerce before City Club of Washington, D. C., December 19, 1922. See article on "Capitalism" by Hartley Withers, *Encyclopædia Britannica*, 12th edition, volume XXX, p. 571.

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aspects of such decisions and with such considerations in mind are in doubt as to what course it is proper to follow.

From a broad perspective, in view of its effects on total production, this whole subject would seem to be more important to the economic welfare of everybody in the country than any question of distribution between profits and wages.

Besides helping to guide employers, more light on this question will assist in furnishing principles and creating the standards which arbitral boards, where they exist, may follow. In the past arbitral boards have placed emphasis almost solely on the consideration of family budgets, and very little reference has been made to figures of national productivity or industrial productivity. In addition to the consideration of index numbers of *per capita* productivity for the nation and for particular industries, a certain percentage might be added as a load on production figures to discount the possible future additional productivity which might be brought about by a liberal wage policy.[1] But in this connection it should be kept in mind that we cannot afford to be too radical in discounting the future on behalf of any particular minority of the workers because it might only be at the immediate expense of the majority.

The upshot of this discussion then is that it is important on the one hand that the public and the laboring group be impressed in just as widespread a fashion as possible with the fact that the term "living wage" is a half-truth, and that there is a limit to the national income, and, on the other hand, that employers and the public generally be made to realize that a sanely liberal policy as to general money wages will in all probability help to bring about a larger national productivity.

SAM A. LEWISOHN

NEW YORK CITY

[1] By omitting to mention other important factors it is not the intention of this article to suggest that they should be ignored. For example, "relative ratings" of remuneration between groups of workmen graded as to type of work, risk and proficiency may well be developed further. The purpose of this article is, however, to emphasize particularly the factor of national productivity and the discounting of a possible future increase in national productivity.

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A REVIEW OF THE GANDHI MOVEMENT IN INDIA

THE apparent lull in Indian political agitation which has followed upon the arrest and imprisonment of Gandhi, affords a convenient point from which to review the extraordinary movement of which he was the inspiration. For the first time it seems possible to estimate in a broad way its permanent results.

Non-Cooperation

Though "Indian unrest" has a long history and presents a multitude of aspects, it will be sufficient for our present purpose to go back only to the early months of 1920, and to trace the action of but three main forces—the Khilafat Movement, Hindu unrest, and the "Reforms." The state of mind in India at this time was one of suspense. The terms of European peace, so far as Turkey was concerned, had not yet been decided. The delay had afforded time for a formidable agitation to develop which demanded the restoration of the Sultan of Turkey, Khalif of Islam, to his pre-war position. This movement gained strength and confidence from the obvious hesitancy of the Allies in grappling with the Turkish problem. Certain expressions of Englishmen and Americans, which it was easy to interpret as hostile to the Turks and to the Mohammedan religion, were circulated throughout India with appropriate comments, and tended to exasperate already strained and tense feeling. It was openly preached that loyalty to religion took precedence over loyalty to the Government, that support of the Allies against the Turks had been a grave error and sin, and that, if Mohammedan demands on behalf of Turkey were not met, the Government could no longer count upon the loyalty of its seventy million Mohammedan subjects. A notable deputation waited upon the Viceroy to acquaint him with Mohammedan feeling, and another deputation was sent to England to confer with the Premier. The Hindu community was awaiting the decision of the Government

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with reference to the "Punjab Atrocities" of the preceding year. The Hunter Committee, appointed to inquire into the whole affair, had not yet published its findings. There was tension everywhere but also the recognition that the time for action was not yet. In the meantime the Government advertised with might and main the "Reforms". Officials were jubilant over their success in piloting the measures through Parliament. At a meeting of the Imperial Legislative Council in Delhi the Viceroy exclaimed:

> The present is indeed a critical time in the world's history, when every nation which hopes to maintain or advance its position in the community of civilized States must stand firm by its traditions and set up a bulwark of sanity and moderation against the forces of disorder and destruction. In India I see no grounds for pessimism. There may be clouds in the sky but the shadows they cast are relieved by much that is bright.[1]

Among the replies, that of Sir Surendranath Banerjee is notable. In his younger days he had been a fierce and implacable opponent of the Government. His eloquence, more than any other factor, had aroused Bengal to political consciousness. On this occasion with reference to the Reform he said:

> My Lord, the proclamation announces the birth of a new era. It says, "a new era is opening. Let it begin with a common determination allowing my people and my officers to work together for a common purpose." In so far as the educated Indians are concerned, we shall loyally carry out that mandate and I am sure that the officers of Government and representatives of the European Community will do the same. For good or for evil, for good as I believe, Indians and Europeans have got to live together in this country as fellow citizens of a common Empire. Let us live together in peace and amity, in the cultivation of those friendly relations which alone make for our mutual advantage and our mutual prosperity. We, the educated Indians, are prepared to extend the hand of fellowship to the servants of Government, to the representatives of the European Community. I ask them to grasp it with alacrity. We are prepared to make the first advance. Are they prepared to reciprocate the sentiment and do likewise?

[1] *India in 1920.*

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In March it became evident that Mohammedan hopes would not be realized. A little later the report of the Hunter Committee was published. This report pleased no one. Indians felt that the punishment meted out to the guilty officers was utterly inadequate. Europeans felt that in punishing them at all the Government had betrayed men to whose firm and decisive action in a critical time it owed an immense debt. The controversy was carried on in the Press and in Parliament with most regrettable bitterness and Hindu feeling was more than ever outraged. When Gandhi, the Hindu leader,[1] announced his support of the Khilafat movement, the Government found itself confronted by a new and portentous force in Indian History—Hindu-Moslem Unity.

Although Gandhi succeeded in merging the two streams of discontent, it was not for some time apparent what character the new movement would assume. The Ali brothers, Khilafat leaders, favored open rebellion and warfare. It was only by convincing them that this was hopeless that Gandhi won their reluctant and temporary adherence to his program. They were frankly skeptical but agreed to try "Non-Cooperation". If it failed, they reserved the right to fall back upon the traditional reliance of their faith, to call for rebellion and war. Henceforth the Ali brothers and Gandhi worked in concert. A stranger contrast can scarcely be imagined than the appearance upon the same platform of Shaukat Ali, big, brutal, fanatic, with conflict and slaughter suggested in every speech, and Gandhi, studiedly undramatic in manner and speech, pleading for endurance of suffering, sacrifice, brotherliness, self-discipline, and love even for the enemies of his people.

The two men fairly represented the ideals of the communities for which they spoke. Of Shaukat Ali we have said enough. In Gandhi were gathered all those traits that Hindus passionately adore. He was an ascetic. He moved about in the world but he lived in God. In comparison with God nothing else was real to him; beside duty nothing else was important. Yet he was no gaunt, repellant figure, such as one

[1] After the death of Lokamanya B. G. Tilak.

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often sees hideous with ashes, with matted hair and with madness in his eyes. Little children were happy in his smile. His gracious manner and simple friendliness were for rich and poor, outcaste and Brahmin alike. He was insignificant in appearance but his simple gesture hushed turbulent assemblies. Wherever he went, vast crowds listened with awe to his quiet, unimpassioned speaking. His invincible courage, his complete indifference to approval or abuse, his uncompromising adherence to what he believed his duty, the austerity and purity of his daily life, his devout piety, exalted him almost to divinity in the minds of his followers. Tales of his miraculous powers were readily believed and his denials were soon lost or forgotten in the worship of three hundred million devotees.

He preached a gospel even more amazing than his personality. It was a message of renewed self-respect and regenerated manhood, of freedom and a future of spiritual glory for India. Not by warfare was this to be won. Indeed freedom so won would not be worth the cost. Real freedom could come only from moral regeneration. His people must put away weakness, timid servility, deceitfulness, sloth, every form of moral impurity, and put on courage, honor, self-respect, industry. So equipped, they could assert themselves and their mere assertion would be irresistible. They had only to refuse to cooperate with a government that would not meet their desires, and that government, though fortified with all the resources of materialistic science, would find itself powerless. Especially must all forms of hate be replaced by love. Against a love that had no limit and was strong enough to endure all things, the utmost malice and oppression must soon succumb. Then would come victory. And India so freed need fear none but would lead the world to yet undreamed-of spiritual conquests.

The program laid down by which this vision was to be made a reality was probably the most extraordinary that has ever proved a really powerful force in politics. In brief it was one of gradual withdrawal by the Indian people from all cooperation with their European masters. It was a "strike" on the vastest scale yet conceived. Government servants were to

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resign their posts, lawyers their practices, students were to leave their schools and colleges, notable individuals were to discard their titles and honors. When the time was ripe, if the British Government had not heeded the people's protest, laborers were to refuse their labor to foreign employers. Foreign manufactures were to be boycotted—especially cotton cloth. To fill their place industries must be developed within India, especially the once nearly universal art of spinning and weaving. Lastly, obedience to laws and payment of taxes were to be refused. Thus a political and economic independence would be established. The whole activity could be successful only as it was carried on absolutely without violence and even without bitterness. Once self-control were lost, once the Indian people failed to maintain the highest standard of conduct, the cause would be lost. It was by self-discipline, inflexible resolution, and triumphant spirituality alone that anything could be achieved.

All this of course demanded a complete moral regeneration. The Government, as it felt its grasp slipping, would try in every way to goad the people into violence. It was only a morally purified nation that could stand the strain. Men and women, therefore, even children, must purify themselves. Moreover the guilt of a great sin rested as a deadly blight upon Hindu society. Sixty millions of "untouchables" were denied the elementary human rights. Until this was changed and "untouchability" abolished, India would not deserve her freedom and would not be fit to use it if it were won.

Of such a personality, such a gospel, and such a program it is difficult to write in the ordinary language of political science. They were all so utterly different from the political forces with which we are familiar. In fact the movement could scarcely be called political. The very youngest and least experienced recruit of the "Bureaucracy", just out from England, could point out absurdity after absurdity and the practical impossibility of the whole scheme. For this very reason the Government long underestimated the power and the peril of the agitation. It seemed impossible that any considerable number of men could attach themselves to such a fantastic program.

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Gandhi was primarily a saint. He openly confessed that his political thought was derived from the Sermon on the Mount. Because India is India, peculiarly sensitive to religious appeals, the movement spread beyond all expectation. Of the causes that rendered its failure inevitable I shall have enough to say. At *this* point I wish to insist upon the overwhelming grandeur of the ideal. Gandhi's vision of a revolution to liberate three hundred million people, achieved not through war or violence but primarily through a moral regeneration, is surely one of the most magnificent that was ever opened to human aspiration. And it could not have been resisted by the most stupendous accumulation of materials of war. Had his people been capable, spiritually capable, of such a program as Gandhi demanded, they would have been irresistible, and no one could have denied them the spiritual leadership of the world.

The Muhajrin

We must turn aside here from Gandhi and his gospel to note a dramatic incident that is of interest apart from its somewhat sensational character for the light it throws upon prevailing conditions and the mentality of the people. When Indian Mohammedans realized that they were powerless to assist Turkey, many felt that life under British rule was no longer tolerable. Their thoughts turned naturally to the nearest independent Mohammedan sovereign, the Amir of Afghanistan. About eighteen thousand zealots sold all their belongings and in long caravans streamed through the passes on the Northwest Frontier to place themselves under his protection. The first to arrive were welcomed; but the hospitality of a rugged country and a stern people was soon exhausted. The pilgrims could only retrace their weary journey. Old men and children died by the way; and those who reached home found themselves impoverished for the remainder of their days.

Successive Failures

Gandhi's appeal to office-holders and to the rich and powerful was disappointing in its results. There were doubtless many who sighed like the rich young ruler of the Christian

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Gospels as they contemplated the prospect of heroic renunciation and spiritual high adventure; but "men of substance" have certain common characteristics the world over. Substance held them. Only an insignificant number cut themselves loose. The wheels of government rolled as ponderously and smoothly as ever.

The next appeal was to the students; and the great "Student Strike" like the *Muhajrin*, deserves attention for the light it casts upon the character of the whole movement. The schools and colleges of India, the students were told (and let it be noted, with some justification), were institutions for the cultivation of "slave mentality." Let them come out from them. In new, "national" schools they would be trained to robust manhood and service of the "Mother."

The response was overwhelming. There was no hesitation here. Experienced and thoughtful elders had turned away, but the students thronged in great crowds to place themselves at the disposal of India's "leaders" for the service of their country. Parental authority, prospects of a career, ordinary prudence or timidity, all counted for nothing. The youth of India with glowing zeal and high courage pressed on to the great adventure. It was a magnificent spectacle. Lovers of India were exultant. Great meetings were held, speakers were moved to impassioned eloquence, and large sums of money were promised for the new schools. It was as though men, long confined in a stifling prison, had just drawn their first breath of pure, outdoor air.

In a little more than a fortnight nearly all the students were back in their schools and colleges.

A great system of education cannot be built in a day. Even a great school requires years for its distinctive ideas and traditions to develop and mature. The vision of a "national education," drawing its inspiration from the greatness of India, training up erect, alert, masterful yet reverent spirits was, like the vision of the Revolution, a splendid one. But, when those who had drawn and colored it were called upon to make it more than a vision, and actually to provide for the thousands of young lives that had so generously entrusted themselves to

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their guidance, they were lost. They could provide only a few ill-equipped and precariously financed institutions. They could offer only the same old subjects less efficiently taught. The one new subject in the curriculum of the national schools was—spinning. It was not an encouraging nor an inspiring prospect to those whose hopes of very livelihood were at stake.

As one looks back upon this pitiful squandering of youth's priceless offering, it is plain that the whole movement originated in a very superficial and immature estimate of the situation; that it owed its progress to unscrupulous promises by the leaders and the credulity and emotionalism of the student class; and that it was wrecked by incompetence to grapple with its practical problems. In every one of these aspects it was typical of the larger movement of which it formed a part.

The Duke of Connaught's visit at the end of the year did something to lessen the tension. There were *hartals*, or public displays of mourning, in some of the large cities through which he passed; but these were only partially successful. The reluctant manner in which the Non-Cooperation leaders' mandates were obeyed seemed to indicate a weakening of the public interest in Gandhi and his teachings. The royal tour had for its carefully prepared climax the opening of the Chamber of Princes, at Delhi, on the 9th of February, 1921. A scene which might have passed into the annals of India merely as a splendid pageant, was rendered memorable by the appeal of Britain's representative, who was also Victoria's son. Conscious of the triviality of all visible pomp and of the instability of all Governments that are founded upon aught else than loyal consent and justice, the aged Duke pleaded for that spirit of understanding and cooperation that alone could make Government of any sort possible.

> Since I landed [he said] I have felt around me bitterness and estrangement between those who have been and should be friends. The shadow of Amritsar has lengthened over the fair face of India. I know how deep is the concern felt by his Majesty the King Emperor at the terrible chapter of the events in the Punjab. No one can deplore these events more sincerely and more intensely than I do myself. I have reached a time of life when I most desire to heal

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wounds and to reunite those who have been disunited. In what must be, I fear, my last visit to the India I love so well, here in the new capital, inaugurating a new constitution, I am moved to make you a personal appeal, put in the simple words that come from my heart, not to be coldly and critically interpreted. My experience tells me that misunderstanding usually means mistakes on either side. As an old friend of India I appeal to all of you—British and Indians—to bury along with the dead past the mistakes and misunderstandings of the past, to forgive where you have to forgive, and to join hands and to work together to realize the hopes that arise from today.[1]

In 1921, the second year of the struggle, we have to notice the increased emphasis upon the boycott of foreign cloth, the raising of ten million rupees to finance the movement, and the growing menace of lawlessness.

The shift from a political or educational to an economic agitation was hailed by the opponents of Non-Cooperation as a desperate effort to recover a rapidly diminishing prestige and revive a waning interest. Friends of the movement, however, declared that it was merely the next stage in a carefully planned procedure, a step which had been contemplated from the beginning. For our purpose it is enough to notice the broader appeal that this move made possible. Only a few could resign offices; students were after all but an infinitesimal fraction of the whole population; but every man, woman and child could wear country-made cloth and spurn the imported fabrics. The advantages to Indian mill-owners would be obvious and appreciation of them would doubtless swing over to the movement the support of a wealthy and powerful community.

So began a remarkable boycott of foreign cloth. Wearing it was denounced as a sin. Ten million rupees were collected, principally to popularize the *charka* or spinning wheel. Two million *charkas* in constant use, it was said, would mean *swaraj*, independence. In many of the principal cities great bonfires were made of English cloth. In some cases Gandhi himself, after suitable ceremonies, applied the torch. In the bazars pickets, sometimes in uniform, threatened those who sold

[1] *India in 1920.*

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the imported cloth with the reproaches of their country and not seldom with physical violence. Everywhere *khaddar* or homespun was proclaimed the only possible dress for patriots. An active agitation against the liquor traffic was linked with that for the boycott and lent to the political and economic movement a prestige derived from Indian morality and religion.

This movement achieved a large measure of success and was responsible for an extraordinary diminution in India's principal import. It brought with it, however, a burden of suffering. English cloth is better and cheaper than Indian. There are not mills enough in India to supply the normal demand and it is fatuous to suppose that home spinning and weaving can be revived on a nation-wide scale in a single year—or in several. Thus the burden of the boycott fell heavily on the poor. It is interesting to note that Mr. C. F. Andrews, an Englishman of saintly character if of somewhat eccentric views, a devoted friend of Gandhi and a passionate lover of India, whose delight it had been to go about in a native dress of *khaddar* that Gandhi had given him, appeared before the National Congress at Ahmedabad in European dress and declared that he sought in this way to signalize his disapproval of the boycott and the bonfires.

While the burnings of cloth were spectacular advertisements of Non-Cooperation, and the raising of the crore (10,000,000) of rupees was another, the real work of the movement was done far away from the cities and out of sight. While opponents were exulting over its decline, doctrines of disaffection, legends of the Mahatma's miraculous powers, prophecies of a glorious day soon to dawn, were diffusing through the vast rural population of India. An immense and highly efficient organization was developed. Bands of volunteers were formed to preach the new gospel of non-violence and *khaddar*. In many places the police and the petty officials were brushed aside and found themselves mere spectators of a government carried on without their advice or guidance. As the movement grew, "volunteers" in uniform drilled openly in the streets and squares of the large cities or paraded with banners while shouting the praise of Mahatma Gandhi. One could

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not blame simple-minded villagers and peasants for believing, on the evidence of what they heard and saw, that the British *Raj* was indeed ended and the Gandhi *Raj* about to commence.

The consequences which everyone but Gandhi knew were inevitable, duly appeared. Disorders in outlying districts became increasingly alarming. Finally, in southwest India, a sturdy, stupid, fanatical Mohammedan people, the Moplahs, broke into open rebellion. Alas for glowing eloquence upon the new Hindu-Moslem Unity! The Moplahs proved true to the traditions which have characterized militant Mohammedanism in India. Forced conversions, murder, torture, mutilation and worse, marked the progress of the rebellion. The Moplahs were brave fighters, the pursuit of small bands through a difficult country was hazardous and tedious, and it was many months before quiet was restored.

When the Prince of Wales landed at Bombay, the occasion was made one for savage and bloody rioting in a section of the city. Not long afterward about a score of Indian policemen at Chauri Chaura became engaged in an altercation with a Hindu crowd. The altercation became a fight. The police were driven into the station house. A couple of guns kept a crowd of several thousand at bay for some time, but the ammunition was soon exhausted. The crowd then set the station house on fire. As the unfortunate men rushed from the burning structure they were beaten to death with clubs or thrust back into the flames. Their charred bodies were ghastly testimony to the temper of "the mild Hindu" once roused. Gandhi's son, as he viewed the sickening sight, was moved to write his father that here was a crime to be compared with the Amritsar massacre.

Gandhi himself was horrified. He spoke of it as the third warning from God that his people were not yet ready for liberty. He imposed upon himself a five days' fast. Yet, with a curious resilience which is difficult to understand and which has characterized him upon similar occasions before, he came back from his mourning and fasting more determined than ever to press on to a speedy decision.

One step alone remained to be taken, the most momentous

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of all—"Civil Disobedience." This meant the refusal of taxes, refusal to obey laws, refusal to perform any of the duties of citizens. It would mean a cessation of government. Would it mean also anarchy and terror? Were the people ready? Could they be trusted to maintain order and sobriety in such trying circumstances and in face of the harsh repressive measures that the Government would undoubtedly take. After long hesitation, it was resolved to try the experiment in a single section of the country that was believed to be peculiarly prepared for it. Before the plan could be put in force, however, Gandi was arrested and a critical chapter in Indian history was closed.

For two years the Government had watched the growth of a movement openly professing to be aimed at its destruction. It had seen its authority weakening, its officers held up to public ignominy. It had hoped to meet propaganda with argument, but there was something ponderous, elephantine, in its procedure. Gandhi was a far more skilled manipulator of public opinion. Only the appeal to force was left. Reluctantly and only at the last possible moment the Government decided to make that appeal.

The Ali brothers were the first to be imprisoned; then, one after another the prominent leaders in all parts of India were arrested. Gandhi alone seemed to enjoy an inexplicable immunity. Indeed some of the hotter spirits among the Khilafat workers went so far as to accuse him of having been a Government agent from the beginning. This could not continue, however. Implacable and imperturbable, he continued his struggle against the British power until on the 11th of March he, too, fell victim.[1]

The circumstances attending the arrest were congruous with all that had gone before. Gandhi had long expected it. He

[1] It should be noted, however, that almost his last official activity was to oppose plans calling for the immediate inauguration of civil disobedience.

An important section of the English press considered that his arrest *just at this time* was typical of a certain ponderous stupidity in Government. It seemed that he was at last beginning to realize the peril of his movement and that there was hope he would guide it into safer channels.

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had indeed calculated its time with considerable nicety. A few hours before it was to take place he was considerately notified. When the police appeared before his house, they were met with simple, quiet dignity. A few of his closest friends joined him in a hymn, a reading from the *Gita*, and a prayer. He took with him a few personal effects and went quietly to jail.

Present Problems and Abiding Results

"The story of the trial of Gandhi and his speech is to me a classic equal to a passage from the Gospels or from the Trial and Death of Socrates. And I am sure that it will go down to posterity as a piece of history more important than the rise of the British Empire". So writes a highly cultured Englishman who, with peculiar abandon, is giving his life to service of the Indian people. Perhaps he is right. A simple yet majestic dignity marked the bearing of India's spiritual emperor, as he confronted the might of the greatest earthly power of history. With sublime fortitude he accepted the sentence pronounced by a reluctant judge, acknowledging that it was reasonable and just.

And yet, over the whole of India—relief! Relief to the harrassed government officials, as they realized that the challenge of lawlessness and rebellion was at last accepted. Relief to thousands of perplexed and dismayed Europeans who for two years had watched with growing alarm the supine inaction of the Government before an ever more plainly visible and ever more formidable menace of anarchy and bloodshed. Relief, I venture to think, to some at least of the "extremist leaders" who had played with matches and now stood aghast at the threatened conflagration. Relief, perhaps, to Gandhi himself.

It is difficult to see what other course the Government could have taken. Gandhi himself named only one alternative—abdication. A formidable rebellion in southwest India had been crushed only after months of difficult guerilla warfare. "National Volunteers" in uniform were parading the streets of all the larger cities, shouting that the British *Raj* was ended

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and the Gandhi *Raj* about to commence. In outlying districts the labor on the plantations and in the collieries was hampered and distracted. There were grave apprehensions as to the loyalty of the army. Unrest was everywhere. Danger was everywhere. To have ignored longer the challenge of the Gandhi movement would indeed have been to abdicate.

As Gandhi contemplated the prospect of his arrest, which he knew was inevitable, he addressed his followers in words that recall the saying of a Greater, "It is expedient for you that I go away". He had summoned his people to a severe discipline of self-control, moral purification and toil; he had repeatedly told them that until they had put away servility, deceitfulness, hate, indolence, and assumed instead courage, honesty, love and industry, until they had eradicated "untouchability" from their social system, and until they had resumed cottage spinning and weaving on an immense scale, *swaraj* could never come. Yet, although not a single one of these conditions had been fulfilled, the current of political conflict had carried him on from stage to stage of his revolutionary program, until its ultimate phase, "civil disobedience", had already been decreed. He must often have doubted, indeed he had said he did doubt, his people's capacity for such a gospel, their readiness for the privileges and responsibilities of freedom. If he were imprisoned, tales of his miraculous powers and prophecies of the wonders he was to work would be discredited. His gospel would make its appeal on its spiritual worth alone. Men ceasing to look for an apocalyptic glory, a spectacular overturning of the ruling power, or any other *magical* attainment of *swaraj*, would give their attention and their effort to building the solid, if somewhat prosaic, foundations for the New India. The restraints of government upon outward activities would only deepen spiritual energies. When it became apparent that violence and disorder could never win a physical kingdom, the spiritual kingdom would gain new meaning. So it was perhaps with a measure of relief that he greeted those who came to arrest him.

In European circles the feeling was very different. "Now we shall have peace," was the almost universal expression.

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Europeans believe that Indians were never so well off as they are today. They believe that British rule is the greatest conceivable blessing to India. Dissatisfaction, the stirring of the masses from their customary apathy, are therefore always the work of wicked, malicious and deceitful agitators. Fortunately these are generally cowardly and are soon subdued by a show of force. The Gandhi movement had thrived only because the Government had allowed itself to appear helpless. Now that it had roused to determined action, unrest would soon disappear and the agitators would "come to heel." For a time the people had hesitated in their loyalty, for it was not clear whether power lay with the British Government or with Gandhi. Now *that* question was settled, things would go on as before.

Will India "come to heel"? Will her people set themselves with determination to the long, grim, wearisome task of preparing themselves for freedom? Or, a third possibility, will the revolution, deprived of Gandhi's spiritualizing and restraining influence, guided by lesser men, assume a violent character and plunge the country into the horrors of a civil war?

We can only wait and see. Calcutta merchants or Assam tea planters are imperfectly qualified to judge the temper of "the Indian People". The tourist or journalist who feeds upon extremist literature and thinks the eloquence therein means what it would mean if uttered by Americans, is not qualified at all. The Government itself does not know. It has its men of broad intelligence and comprehensive understanding; but they are separated from the common people by ponderous routine and insurmountable barriers of official ritual.

For the Non-Cooperation movement in its original form it is difficult to see any future. Its history has been one of failure at every stage. Government servants have not resigned their posts, nor eminent men their titles. "National Schools" have by no means replaced the former system of education. Home spinning and weaving have not been resumed on any large scale. Imports of foreign cloth, though they have diminished, have not nearly ceased. "Untouchability" has not been abolished. Hindu-Moslem unity has not been established. Not one of the avowed aims has been realized.

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The fundamental and really devastating objection to Gandhi's whole program is that the Indian people are not remotely capable of such a revolution as he preached. The atrocities of the Moplah Insurrection or the ghastly outrage at Chauri Chaura are more reliable indexes to Indian character and feeling than Gandhi's most notable utterances on "soul force", love of enemies, or non-violence. During certain troubles at Chandpur the saintly C. F. Andrews addressed a meeting and pleaded against a threatened strike. The prestige which he enjoyed as an intimate friend of Gandhi and his own record of conspicuous and devoted service to the Indian people barely sufficed to obtain for him an indifferent hearing. The applause of the meeting was for a notorious ruffian who with appropriate gestures shouted, "This right hand has killed ten men and I am ready to kill many more." Into the story of the peculiarly insensate strike that followed there is no need to go. The incident throws a flood of light upon the real temper of Gandhi's most vociferous followers; and such illustrations could easily be multiplied.

The curious blending of religious idealism and political expediency which characterized the Non-Cooperation movement has appealed to every observer as its most striking aspect. I cannot but regard this as Gandhi's disastrous blunder. A gospel such as his is only injured by close alliance with such a political agitation as developed. Suppose for a moment that Christ had made the center of His gospel the expulsion of the Romans from Judea! Suppose He had made the achievement of His aim within a few years the test of His success! The compromises necessitated by political conflict tended from the first to weaken Gandhi's spiritual appeal. Followers were attracted and actuated by a variety of motives which did not contribute to the moral regeneration which was his real aim. Propaganda of the most virulent and unscrupulous character grew up about his figure. He repeatedly expressed his disapproval of it and as often professed his own humility; but he would not or could not check it.

As the idealism of Gandhi's message suffered from its connection with a political agitation, so the political movement was

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weakened by a lack of contact with the prosaic, every-day realities of Indian need. The movement was negative in name and character. Its emphasis was upon destruction and it lacked either sharply defined aims or a constructive program. One searches in vain for illuminating utterances on labor problems, education, sanitation, village betterment, or the form of government to be enjoyed once *swaraj* is won. To questions on such points Gandhi would serenely reply that, once India was free, the awakened genius of her children could be trusted to solve all such problems.

Certain outstanding characteristics of Gandhi's activity are difficult to reconcile with that complete sincerity that has been universally acknowledged as his most admirable quality. It is difficult to understand his championship of Mohammedan ambitions except as an astute move to win Mohammedan support. It is hard to see how he could ignore the patent fact that Indian Mohammedans are interested in India only as a unit in Islam—a very different feeling from the passionate love of Hindus for the "Mother." I have already noted the manner in which he pressed on from stage to stage of his revolutionary program, although not one of the conditions which he had laid down as indispensable to such progress was ever met. He professed and based his action upon a faith in his people, in their spirituality, their self-control, their willingness to sacrifice, that to anyone else appeared fatuous.

All these, however, are explained by reference to the blindness of his intense patriotism. This limitation becomes of tragic significance, when we observe the lofty ideas and the failure to which it has led one of the world's purest and most forceful personalities. It is one of the finest features of his character and teaching that he has attacked in the most determined and vigorous manner the "curse of untouchability". So long as sixty million Indians are denied the elementary human rights, he has repeatedly told his people, India does not deserve freedom and will never win it. But against Hinduism as a whole he has said nothing. He glories in being a Hindu and idealizes hopelessly beyond reason the history and the character of his people. His reverence for India has led him

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to underestimate sadly, indeed to misunderstand, elements of western culture and life that would be of untold value to India. It has led him to seek a return to primitive simplicity instead of a pressing on to a mastery of present complexities. It has rendered him unable to perceive the weaknesses of his countrymen or their incapacity for the revolution of which he dreamed. Thus he was led to attempt in a year or in two years a work which should have been left to the ages and to delude the people he loved so well with impossible promises of speedy and easy triumph.

The weakness of Non-Cooperation will become increasingly obvious, as the glamor of Gandhi's personality fades and as men turn from visions to face realities. There will always be the Moderate at hand with his insinuating whisper that all the concrete advantages reasonable men have any right to expect may be achieved through the legitimate constitutional agitation for which the "Reforms" provide opportunity. In addition to being the easier course, constitutional agitation will offer the alluring prospect of easy victories and results which can be seen of all men. The Extremist following is so enormous, it is so skillfully and closely organized, that opposition in the elections need not be considered.

Gandhi always regarded the "Reforms" as an insidious temptation. They were for him the broad and pleasant way that, we are told, leads to destruction. Unquestionably they are the Government's best reply to his attack. In so far as they afford opportunities for the effective expression of Indian opinion (and they do) and for influence upon Government policies (they have), they tend to make Non-Cooperation not only hazardous but unnecessary. The Government is of course fully alive to this fact and will spare no effort to prove that just such opportunities are offered. Less heroic souls than Gandhi will prefer an office to a cell. And indeed it can scarcely be a reproach to a politician or patriot that he finds a Council a more advantageous point from which to serve his country than a prison.

So it seems possible that the majority of those who have hitherto formed the Non-Cooperation movement will "rush"

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the coming elections which until now they have attempted to boycott. Once in office they may wreck the "Reforms" by adopting such an obstructive policy as will make them unworkable; or they may put through really constructive legislation and accomplish much for the lasting good of India. The choice will show whether they are patriots or mischief-makers, statesmen or mere demagogues. A group of irreconcilables must indeed be reckoned with. Their fulminations against the existing order, however, will arouse less and less public interest. In time it is possible that Gandhi's followers will become one of the innumerable sects of Hinduism. It is quite possible that there will be outbreaks of violence; but there is little reason to anticipate anything like a universal rising. Anything less than a determined revolt of all India will be futile. So at least the situation appears to a western mind, but it must be remembered that the Indian mind does not work along the lines to which ours have been accustomed. *Anything* is possible.

Some things, however, admit of no dispute. Some things we can be sure will never again be as they have been. These changes may be loss or gain; but changes they are. The full significance of Gandhi's life and work must be left for the future to reveal; but some real and abiding results are already apparent.

The writer of an article entitled "Gods or Brothers," which appeared in *Everybody's* of May, 1911, tells an amusing story of two American travelers in India, who were much perplexed at what seemed to them their resemblance to some important personages in the land. Wherever either went, guards and police saluted them, perfect strangers salaamed with deep respect. It was the same in all cities. For whom were they mistaken? Some very great man indeed it must be. It was puzzling enough. In time however, they learned that the salutes and salaams were for them not as individuals but as members of the white race. It was *white prestige*.

The wide-reaching significance of this "prestige," the picturesque deeds of daring that won it, the integrity of character that earned it, the good or evil of it, we need not discuss; for it is no more. A show of respect is indeed still kept up, but in

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many subtle ways the bearing of the brown man to the white has changed. It is visible on every hand—in the press, in labor movements, in the contacts of daily life.

Many factors have contributed to this result. The Great War with its accompanying burdens of taxation and high prices, the disasters that befell the Allied armies, the awfulness of the slaughter and devastation, America's part in the struggle and her record in the Philippines, have all given occasion for intense thought. More important has been the spread of education through universities and schools and especially through the Press. It is significant that my servant was anxious to get my views upon the cultivation of jute as compared with the growing of rice, that he watched the progress of the Genoa Conference with keen attention, and that he liked to supplement the carefully censored news of my English paper with bits of his own upon conditions in Europe or Asia Minor. It was significant not because it complicated my domestic arrangements (fortunately it did not), but because in this interest and alertness to the news of the day my servant was typical of the new India. Such a range of information, such freedom of inquiry, does not furnish the soil on which "prestige" can flourish.

When we speak of education, however, we must not forget that it has been English education. There is a social dynamite in English thought and institutions. It was as champions of English rights that our forefathers won American liberty. Indian students of English history cannot fail to find in it stimulus and guidance for their own patriotic aspirations. No amount of Toryism among British officials, no assumption by individuals of the manners or prerogatives of the oriental despots they have replaced, no stupid adherence to "classical" education upon the English model, can forever confine the explosive energies of English political idealism. To any act of tyranny or oppression the unanswerable rebuke is that it is not British: and this rebuke is more potent than machine guns or artillery.

Nor should it be forgotten that Britain herself contributed deliberately to the destruction of her "prestige". When India

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sent her army to France and assisted in checking the German rush, British gratitude ran high. In all quarters it was felt that after such sacrifice and service India could no longer be a mere possession but must be drawn into a close partnership of mutual respect and affection. The task of making this gratitude effectual fell to the hand of Mr. Montagu, Secretary of State for India, and the Viceroy, Lord Chelmsford. With the "Reforms", the result of their labors, it is easy to find fault; but the fundamental idea, the ultimate aim, is magnificent. The only features which we can pause to note here are the provisions for the transfer of certain departments to *Indian* officers, the gradual Indianization of the Services, and the great enlargement of the powers of representative assemblies. By these means it is hoped to educate for free and responsible government a people three times as numerous as our own, in a country as large as all of Europe west of Russia. Already there has been an Indian governor of a province. High English officials yield to the authority of their Indian superiors. Indians address you with a freedom which unfamiliarity and awkwardness make you sometimes mistake for rudeness. Laborers strike, servants leave your employ with a jaunty carelessness that is at least disconcerting. Whether you find it dismaying or inspiring depends upon your point of view. And so race prestige is gone forever.

With the disappearance of race prestige (military, physical, economic prestige remain), probably as a corollary of it, has come a consciousness of the power that lies in united action. The Hindu-Moslem breach has not been closed; but that under Gandhi's inspiration men have grown accustomed to think of a national unity at all is a fact of tremendous import.

On a lower plane, though perhaps of more immediate interest, must be noted the multiplying of strikes, the spread of unionism, the appearance of a labor problem. On the development of the labor movement in India, which at bottom is only a new consciousness of power, vast issues depend which reach out far beyond India and which help to make India one of the most fascinating problems of our time. Cheap labor available in immense quantities is just as real a field for capital-

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istic exploitation as a rich deposit of coal or gold or oil. At one time men saw visions of a great migration of capital from western lands to India and China. There is not, however, the same certainty about labor that is characteristic of a mineral deposit. Moreover the powerful labor parties in the west will have something to say. British labor at least is well organized, politically powerful, and fully awake to the possibility of oriental competition. Every stirring of Indian unionism, every agitation for increased wages or shortened hours, will be watched with keen intelligence and sympathy. Stimulus, guidance, political support will be freely given. America and the Dominions may exclude Asiatics from their soil but they will not thereby escape the competition of oriental labor. Even tariffs will not provide an impregnable defense. It is a subtler move, and a nobler one, to raise the conditions and the price of oriental labor to some sort of equality with the standards that prevail in western countries. Such a policy may not be avowed by any labor party. There may be no conscious aim of this nature. Yet powerful forces tend in this direction and are bound to have their effect.

Beside vanished "prestige" and a new consciousness of power in united action we must realize also that there is throughout the land a vision of a new and glorified India. The vision lacks details, it is not sharply focused, it is blurred and confused; but a vision there is. Perhaps students and teachers in the universities dwell most upon it; but workers in offices and factories, the millions of inarticulate peasants, all have had glimpses of it. Some day that vision may become distinct. Some day a greater than Gandhi may make it real.

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CAN RUSSIA "COME BACK"?

THE Russia of to-day, that is, Soviet Russia plus the various associated and federated Republics, including certain areas of doubtful allegiance in Asia, such as Turkestan, has an area of approximately seven million square miles, and a population of 150,000,000.

In pre-war times this same population (there has been little change) living in this same territory, supported itself at a certain standard of living by carrying on various industries. Portions of the area were devoted to agriculture, others to grazing, others to forestry, some to mining, some to manufacturing, some to fishing, hunting, etc., etc. Each of these areas produced a surplus of the commodities peculiar to its industry: the agricultural region more than sufficient food for its people; the forest, more than sufficient forest products; the mining, raw materials which it could not use itself; the pastoral, more than sufficient animal food-stuffs and hides. The surpluses were shipped to other sections and to foreign countries where they were in demand.

These regions were widely separated. The minerals of the Urals moved 400 or 500 miles into the industrial regions about Moscow and Petrograd. The oil of the Caspian Sea area travelled 1000 miles or more. The great coal basin of the Donetz shipped its products to points in the centre and the extreme north. The northern region received food from the Volga basin and the Ukraine, hundreds of miles away.

In addition to these surpluses in different sections of the country itself, the country as a whole produced many things in excess of its requirements—food-stuffs and many raw materials such as oil, hemp, flax, timber, manganese, platinum; but it was very short on manufactured goods. It sold its surpluses abroad in payment for the necessary finished wares in great variety.

This vast exchange of goods, food and raw materials, moving within the country toward the manufacturing centres, and man-

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ufactured goods from the industrial centres outwards over huge distances; and the exchange with foreign countries of food and raw materials for wares, was possible only by the maintenance of an intricate transportation system (40,000 miles of railway with about 20,000 locomotives and 500,000 freight cars, and many thousands of miles of well-equipped waterways), a large circulating medium of exchange (about $6.00 *per capita*); and an elaborate organization of credit institutions (over 28,000 banks and branches, with deposits which averaged $22.00 *per capita* of the population).

It is well-known that since the revolution of 1917 a tragic economic disaster has overtaken the country. Industries, the transportation system, the credit institutions, and the entire economic structure of the country have been undermined. The production and exchange of goods have dropped to a small fraction of their pre-revolutionary dimensions.

In recent months, it is true, since the inauguration of the New Economic Policy (NEP) there have been some signs of improvement; and the Soviet authorities are pointing more or less boastfully to certain augmentations in production as proof that Russia is on the road to recovery. A closer examination of the facts, however, reveals but little cause for optimism. If Soviet figures are to be relied upon, it is a fact that production has increased in certain lines since August, 1921, when NEP first saw the light of day, but the growth is insignificant in comparison with the needs of the country.

	In 1921		[1] In 1922	
Petroleum production has risen from..	4,000,000	to	4,500,000	tons.
Coal production has risen from	8,450,000	to	9,200,000	tons.
Pig-iron production has risen from....	102,000	to	173,000	tons.
Woolen yarn production has risen from	6,800	to	12,000	tons.
Cotton yarn production has risen from	1,600	to	55,000	tons.
Linen yarn production has risen from	7,500	to	17,000	tons.
Chemicals production has risen from..	50,000	to	150,000	tons.
Gold production has risen from	3,000	to	11,500	pounds.
Fire-bricks production has risen from..	3,500	to	14,500	thousands.
China and porcelain production has risen from.....	18,000,000	to	20,000,000	pieces.

[1] Assuming that production for the entire year 1922 was maintained at the same rate as for the first seven or eight months (definite figures for the later months are not yet obtainable).

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Certain other less important industries also show some increase and there is likewise some improvement in the condition of the main railway lines. The percentage of disabled locomotives dropped from sixty-seven per cent in the early months of 1922 to sixty-one per cent in September (this was mainly due, however, to an importation of 2000 new locomotives from Germany). Beginnings have been made also in the re-establishment of banks and credit institutions.

To form any judgment as to whether the Russian authorities' optimism in considering these and certain other signs of improvement as an indication that Russia has really entered a period of economic recovery, it is necessary first to form some quantitative estimate of her present economic position in comparison with her pre-revolution days and, second, to consider the means at her disposal for recuperation.

Food-stuffs and raw materials: In pre-war days, the present Russia produced 32,800,000 metric tons of bread cereals (deducting quantity required for seed) and 17,300,000 metric tons of fodder cereals, a total of 50,100,000. Of this quantity she exported 11,200,000 tons, leaving for home consumption 38,900,000. Her 1922 net crop is variously estimated at from 29,000,000 tons to 33,500,000 and there is no surplus for export. The meat—beef, veal, mutton, pork—slaughtered formerly reached a total of 3,000,000 tons. In 1921 the total was only 1,260,000 tons. The figure for 1922 is not yet available but is unquestionably much smaller, for the number of animals has seriously decreased. The area under cereals has steadily declined from 150,000,000 acres in 1913–14 to 68,000,000 in 1921–22. The number of cattle has dropped from 43,400,000 head to about 20,000,000, and the average weight of carcass from 340 lbs. to 252 lbs. Sheep have fallen from 90,300,000 to 40,000,000, with a decline from 34 lbs. to 32½ lbs. in weight. Pigs have remained fairly steady in numbers (11,000,000 against 13,000,100) but the weight has fallen from 205 lbs. to 86 lbs. The number of horses—important both for food and as work animals in agriculture—has dropped from 37,000,000 to something like 20,000,000.

Surpluses of other agricultural products were also shipped

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abroad. Flax-fibre production was 750,000 tons: 465,000 tons were used by the domestic factories or in household spinning and weaving, and 285,000 tons exported. Hemp-fibre production was 400,000 tons, of which 327,000 were consumed at home and 173,000 exported. Flax and hemp seed were raised to the amount of 1,033,000 tons, of which 880,000 tons were consumed within the country and 153,000 tons exported. Seed cake was also shipped abroad to the extent of approximately 650,000 tons. Today the flax area has fallen to less than thirty per cent of the pre-war level and hemp has declined even more seriously. There is no surplus for export, the greatly reduced production falling short of filling the requirements of the domestic mills.

Still other large surpluses were used for foreign purchases: Manganese was produced to the amount of 770,000 tons per annum and 600,000 tons were exported. The production today has fallen practically to *nil*, although there is an accumulated supply at the mines of probably 1,000,000 tons, which might be available under proper economic and political conditions. The iron-ore production in pre-war days was 9,000,000 tons, of which 8,000,000 were consumed and 1,000,000 exported. Today the production has dropped to 225,000 tons, far less than requirements for home industry.

The petroleum production which formerly reached 9,200,000 tons, of which 8,000,000 were consumed and 1,200,000 exported, has dropped to 4,600,000, and there is no surplus for export. The exportable surplus of lumber and staves before the war was nearly 6,000,000 tons. Last year there was a small export (300,000 to 400,000 tons) from certain northern sections, but for the country as a whole there is a distressing shortage.

Gold was formerly produced to a quantity of 134,000 pounds, nearly all of which went abroad. Today the production is about 13,000 pounds. The entire platinum output (about 11,000 pounds) was also sold in foreign lands. Today the production is a little over 400 pounds.

These pre-war surpluses, it must be remembered, were sent abroad, partly as interest on foreign capital investments but

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mainly for the purchase of manufactured goods and a few raw materials from the outside world. The loss in purchasing power through the reduced production of the various items enumerated above is in the neighborhood of $750,000,000 per annum.

But this does not tell the whole story. We must look at the manufacturing industries of Russia itself, industries which in pre-war days supplied a large part of the demand of the home population for articles of clothing, household utensils, factory equipment, railway equipment, etc., etc. The basic ones, those which give a fair measure of the whole, are mining, the metallurgical and textile industries, and transportation.

Mining. Russia formerly produced almost enough coal for her own requirements. The pre-war output was 29,200,000 tons. In addition, there was an import of 6,000,000 tons, bringing the total annual supply up to 35,200,000 tons. The production today is 9,200,000 tons. Russia formerly used (production minus export) 8,000,000 tons of petroleum. The production today is 4,500,000 tons. The copper supply (including a small import) was 38,000 tons. Today it is less than 4000. The lead and zinc supply (including imports) was 80,000 tons. Today it is 5,600.

Metallurgical industry. The basic material, a fair measure of the condition of the whole industry, is pig-iron. The pre-war production was 4,200,000 tons. Today it is 175,000.

Textile industry. The pre-war supply of raw cotton (including a large import) was 416,000 tons. Today it is (home production alone) not over 25,000 tons. The pre-war supply of flax fibre (production less export) was 465,000 tons. Today it is not over 100,000 tons. The hemp-fibre supply was formerly 327,000 tons. It is now in the neighborhood of 80,000 tons. The wool supply has dropped from an approximate total of 200,000 tons to under 80,000 tons. The production of cotton, linen and woolen yarn (indicative of the activity of the whole textile manufacturing industry) has dropped: for cotton, from 280,000 tons to 44,000; for linen, from 51,000 to 17,300; for wool, from 96,200 to 12,000.

Many other industries show a similar condition. The pro-

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duction of fire-bricks has fallen from 162,000,000 in pre-war days to 14,500,000 now; cement, from 1,330,000 tons to 100,000; the most important chemicals, from 430,000 tons (including imports) to 150,000; mineral fertilizers, from 164,000 tons to 37,000; salt, from 2,000,000 tons to 400,000; sugar, from 1,700,000 tons to 50,000 or 60,000.

The total supply of fuel available in pre-war days (coal, oil, peat, wood, all reduced to equivalent in coal) was 56,400,000 tons. It is now 22,700,000 tons. The amount of fuel (reduced to coal equivalent) used in transportation in 1913 was 29,900,000 tons. The total supply available today is therefore only about seventy-five per cent of the pre-war transportation requirements alone. Industries in 1913 used 17,500,000 tons. To restore them to their pre-war activity would use up nearly all of the present available production and leave almost nothing for transportation or domestic and other uses.

Transportation. Russia still has some 40,000 miles of railways. The road-beds are, many of them, in bad condition, but in the main they are still usable. The rolling-stock, however, shows a critical shortage. In pre-war days, there were 480,000 freight cars in running order; there are now about 130,000. Locomotives in operation formerly numbered between 17,000 and 18,000; there are now, including new ones purchased during the past year from Germany, about 7500. The production of railway rails in 1913 was 50,000 tons, and is now about 20,000 tons. Russia built 609 new locomotives in 1913; but only 79 in 1921. She also built 20,500 freight cars in 1913; but only 800 in 1921.

Banking and credit institutions. As we have already seen, in pre-war days Russia had over 28,000 institutions of this sort, including branches, with total deposits of $3,300,000,000, or $22.00 *per capita.* Since the establishment of the State Bank in December, 1921, and of the Co-operative Bank in the spring of 1922, some 200 banking and credit institutions, including branches, have been restored; but their total deposits, according to the latest available data, reached only $11,000,000 or less than eight cents *per capita* of the population.

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Medium of Exchange. The total currency in circulation before the war amounted to about $6.00 *per capita* of the population. Today, in spite of stupendous issues of paper (900,000 milliards of rubles) the total circulation, reduced to gold, reaches only about 75 cents *per capita.*

These figures—it must be remembered that with few exceptions they are furnished by the Soviet authorities themselves and are therefore unquestionably colored with rosy exaggerations—reveal a situation whose seriousness needs but little comment. Before the war the people of present Russia as a whole had a superabundant supply of food-stuffs. They imported large quantities of food, it is true, but these were in the nature of luxury goods; and the exports exceeded imports by some $180,000,000. Now, in a good harvest year, they have barely enough to meet their own requirements, while the area under cultivation and the number of domestic animals are still declining. Before the war they consumed manufactured goods each year to the value of $1,435,000,000, of which $1,250,000,000 were made at home and $185,000,000 imported. Now, their imports are negligible and their home production barely reaches $250,000,000.

To come back to anything like her pre-war conditions Russia must therefore raise her agricultural production to nearly double its present figure (merely to meet domestic demands) and must make provision, either by restoration of home industries or by procuring the means to purchase abroad, to increase her present supply of manufactured goods nearly five-fold.

Can it be done? First, can Russia do it with her own resources and efforts?

The Soviet Government itself has given up all hope that agriculture can be restored until the peasants can be assured that needed clothing, household utensils, equipment, machinery, hardware, can be secured in exchange for any surpluses they may produce. The prime cause of the decline in area cultivated is recognized as lack of incentive on the part of the farmers. Even with restored incentive, however, although there might be improvement, there is no hope of a return to normal

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production. In the first place, equipment is too far depleted. For five years the peasants have been without a normal supply of implements, tools and machinery, and the number of work animals has declined by fifty per cent. The pre-war supply of agricultural machinery, etc., was about $25,000,000 per annum ($6,000,000 import and $19,000,000 home production). Now there are no imports, and home production is almost negligible except in such small tools as scythes and sickles. Russia formerly produced 667,000 ploughs. The present output according to the latest figures, is about 130,000. The output of harrows in 1913 was 127,000; now 8,000; reapers and binders 111,000, now 11,600; threshers 110,200, now 2,300; seed-drills 68,400, now 470.

The peasants in 1913 consumed about $410,000,000 worth of textile manufactures. Today the total value of the textile output of the country does not exceed $75,000,000. Similar conditions apply to all other necessaries of normal life.

What is true of the agricultural classes is equally true in the industries of mining, forestry and transportation. Factories cannot operate without fuel, raw material, and machinery. Factory operatives demand food and the normal supplies of clothing and conveniencies. Mining, forestry, and transportation similarly demand equipment, food and clothing supplies. With the best of intentions each industry must wait for products necessary to enable it to start. These essential products can be produced and hence procured only after some other industry has made a beginning. It is a vicious circle.

If the decay of activity were slight, there might be some hope that the restoration of the will to work might bring back some approach to normal; but with industry operating today at under twenty per cent of pre-war capacity, and with the cultivated area not more than forty-five per cent of normal, it is so obvious as to be admitted even by many of the Soviet authorities themselves, that reconstruction from within is an impossibility.

If there is to be any salvation, it must come from without the country, with cooperation from within; and even then the task will be a stupendous one. Figures of urgently needed

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assistance presented by certain Soviet authorities are fairly staggering. They estimate that to restore agriculture and transportation within five years will require a capital advance, for agriculture of $2,000,000,000, and for transportation $1,500,000,000. For mining, metallurgy, and the manufacturing industries together, their figures reach another two to three thousand million, making a total of, say, $6,000,000,000.

But all such estimates made by the Soviet authorities appear to be based on what they would like to get, with little serious thought as to ways and means or the justification for getting it. A saner method would be to estimate the possibilities of assistance which might, under proper economic and political conditions, be obtained, and then cut the garment to suit the cloth.

Russian foreign trade before the war (average 1909–13) reached the following figures:

	Imports	Exports
Food and Live Animals	$107,000,000	$464,000,000
Raw and partly manufactured materials	242,000,000	249,000,000
Manufactures	222,000,000	38,000,000
	$571,000,000	$751,000,000

The excess of exports over imports of $180,000,000 may be taken as measuring roughly the service on loans and foreign investments.

If we may imagine Russian production and trade restored to its pre-war condition, we should therefore have a surplus of $180,000,000 which would continue to be paid for the service of pre-war loans and investments, assuming that these pre-war debts must be recognized before any considerable amount of new foreign capital will go into the country. We may assume, on the other hand, for the sake of argument, that the war loans to Russia are balanced by counter-claims made by Russia against the Allies (according to Russian figures the indebtedness of Russia to the allies reached approximately $10,000,000,000, while Russia's counter-claims total double that

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amount). To cover interest and sinking fund on a new advance of $6,000,000,000 would require under present conditions, an increased balance of exports of at least $600,000,000 per annum.

Looking again at the total of imports and exports given above, we note an item of $107,000,000 for food-stuffs and animals. Two-thirds of this is made up of articles of quasi-luxury character such as fruit, tea, wine, spirits, coffee, cocoa, and we may imagine the Russian people under the pressure of necessity eliminating their purchases of these articles except probably tea, and reducing their demand for others. We may perhaps assume a saving in this item under favorable conditions of $75,000,000 to $80,000,000.

Of the raw and partly manufactured materials imported ($242,000,000) the chief items are raw cotton, jute, wool, silk ($100,000,000), yarns ($17,000,000), metals and ores ($20,000,000), hides ($18,500,000), coal and coke ($25,000,000). These and other items might be dispensed with as foreign purchases, but it would obviously be at the expense of home manufactures, and would involve enlarged importation of finished products, probably at greater cost, to fill the gap. So far as they contribute to the home manufacture and consumption of finished goods of the luxury or less essential class, there might be some reductions; but it is hardly likely that the total importation of such goods could be reduced below, say $200,000,000 without economic loss. This would effect a saving of $42,000,000 to be added to the saving on imported food-stuffs, making a total of, say, $125,000,000. It is not impossible that another $25,000,000 might be saved on the importation of manufactured luxuries, bringing the total saving up to $150,000,000, a sum which could hardly be expected at present to be made the basis of loans and credits higher than, say, $1,500,000,000.

This guess—it is obviously hardly more than that—is, however, based on the violent assumption that the economic activities of Russia could quickly be restored to their pre-war level. How far from possibility of realization is any such dream is revealed by the figures and facts given in the preceding pages.

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Agriculture, industry, mining, transportation, currency, banking credit and exchange institutions have broken down in catastrophic fashion. Russia has been set back in its economic status by many decades, and is to-day almost in the position of a newly discovered country devoid of manufactures, devoid of transportation and of the barest essentials of the complicated system and organization of exchange which makes possible the maintenance of a dense population on a reasonably high plane of economic prosperity. Speaking broadly, she has nothing but her immense natural resources which, if she is to advance in the plane of economic civilization, must be developed through attracting foreign capital. She is almost back to the position of a century ago, except that, unfortunately, the population developed under an economic system made necessary by its growing numbers is far more dense and thus makes the problem far more serious than it would be if Russia were merely a newly discovered land in a backward stage of development.

The obvious thing to do would appear to be to approach the problem as if it really concerned a newly discovered country rich in natural resources. Things which could be developed quickly would be the first to claim attention, and these are agriculture and the extractive industries generally. Among these in Russia under present conditions agriculture and forestry come first: they would respond most quickly to the proper stimulus; the physical equipment required for their restoration is the simplest; the returns need not be long delayed; they might, given the proper political conditions (involving a change of heart on the part of the government toward foreign capital) be expanded within a few years to a productivity even greater than before the catastrophe.

Closely connected with this development, in fact running almost *pari passu* with it in importance, would be the restoration of a transport system on a sufficient scale to carry the product to market. This too might come quickly, for the railway rights-of-way exist unimpaired and the road-beds are at least in usable condition, while as to waterways, the rivers and canals are as they were, except that dredging has been neglected for five years or so. The chief need is for rolling-stock and river craft.

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The mining industry in general must lag behind. In the great coal, iron and oil regions, neglect and misuse have reduced the workings to a condition which will require a long period of recuperation. Gold, platinum, asbestos, and a few other minerals might be much more rapidly restored, but their value was never a very large item in Russia's total production.

As to manufacturing industries, it is difficult to see how any quick recovery can be expected, except as they may possibly be fostered by a government which mistakenly imagines that the economic position of the country is sufficiently strong to support them. Any capital investments that foreigners can reasonably be expected to devote to the rehabilitation of Russia will unquestionably be inadequate, even for the proper development of agriculture, forestry and transportation; and even here the steps must be taken gradually and tentatively, just as they would be in any newly discovered country situated as Russia is. There is not likely to be any considerable inflow of capital for manufactures.

Granted that the political and economic policy of the Russian Government continues to move in the direction taken last year with the inauguration of the New Economic Policy, and that the "Communist" dictators in the Soviet administration can bring themselves to take the final steps which will mark a complete return to economic sanity and make the country attractive for foreign investment, the question propounded in the title of this article may be answered in the affirmative.

The first advances of foreign assistance are likely to be in forestry, agriculture and transportation. The mineral industry will be given more or less attention; but it is hardly possible that much will be done for manufactures for a long time to come. Even with agriculture, forestry and mineral development and the accompanying partial revival of transportation, however, it is not to be expected that the standard of living of the mass of the Russian population can be restored rapidly. It will be only by the strictest economy and the cutting down of consumption to the barest necessities that surpluses will be likely to be produced sufficient to pay for the capital which must be attracted in order to make even the first steps towards recovery possible.

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If the development takes place along the lines indicated the conclusion is obvious that for a long time to come the exports of Russia will be of food-stuffs and raw materials. The imports of capital and the demands of the population to fill the vacuum left by the destruction of Russia's manufacturing industries will cause her imports to be almost exclusively of manufactured goods.

What this means to the western world is also obvious. It points to increased supplies of food-stuffs and raw materials, and a large new market for manufactured goods. If Russia should manage to maintain her manufactures at the present level; if the population should be able to economize its demands for manufactured goods to so great an extent as fifty per cent of her pre-war consumption; there would still remain a gap of $500,000,000 *per annum* to be filled. In addition, if investments of foreign capital for the rehabilitation of agriculture and transportation should reach one-quarter only of the Russian estimate of the sums required, this would call for an additional import of $300,000,000 a year for the next five years or more, giving a total of $800,000,000 a year. Payments for the manufactures imported for direct consumption plus payments for interest and amortization on old and new loans and credits would call for an export of food and raw materials running from about $700,000,000 for the first year up to more than $800,000,000 in the fifth.

It is not beyond the range of possibility that, given the essential final steps in the right-about-face in Russian governmental policy initiated by the New Economic Policy, the country might be able to meet these requirements. But it is obviously highly improbable that the recovery can be rapid: the disaster is too complete, the sums involved too huge. Even in industries giving quick returns the first steps are apt to be cautious and slow, and the development will be in constant danger of being retarded through the mistaken efforts, not only of the Soviet Government itself, but of capital interests of the old régime as well, to bring about a simultaneous revival of all industries, instead of concentrating on the few most fundamental ones.

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ROMAN CONCEPTS OF EQUALITY

"WE hold these truths to be self-evident, that all men are created equal". These words, I doubt not, have been familiar enough ever since they were written by Thomas Jefferson or Silas Deane or Rousseau or Locke or Aquinas or Aristotle, or whoever it was that wrote the Declaration of Independence. Are they true? Or, being true, are they self-evident? We have built a polity upon the continued iteration of our belief in equality. It has been wicked to question it. "He has studied our constitution in vain", said Mr. Justice Black of Oklahoma, "who has not discovered that the keystone of that great instrument is equality, equality of men, equality of representation, equality of burden and equality of benefits".[1] And in the Bill of Rights which is an integral part of many American constitutions there is the unqualified statement, "All men are by nature free and equal". "All men", we notice, and "by nature". Nothing could be more definite and more final.

Now it is plain that neither the half-mythical Fathers nor their successors, however obtuse to the discrepancies between theory and practice, could ever have supposed that equality meant identity. Men are tall and short, blond and dark, wise and foolish, by a determination that goes behind even Bills of Rights. And I fancy the most determined Equalitarian of Revolutionary France never quite supposed that a society of indistinguishable units was either conceivable or desirable. And since men are not equal in the sense of being interchangeable, equality has often been stated to be equality before the law; that is to say, we have asserted that in his public and private legal functions, every man has the same, and exactly the same, range of capacities.

Yet even that could have been felt only as an ideal. The Declaration of Independence, the Bill of Rights, were written

[1] *Bardrick v. Dillon*, 7 Okla. 535; 54 Pac. 785.

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when slavery was a tolerated — even a favored — institution. They were subscribed to by men who enforced property and religious qualifications for the suffrage and to whom the Nineteenth Amendment would have seemed nothing less than preposterous. Nor can candid observers of the present day delude themselves into believing that equality "before the law" really means that all men stand on an equal footing in the actual administration of justice. To take only one distinction, that between rich and poor, the possession of wealth certainly makes a difference in the way in which legal machinery operates. A rich defendant, it has been said, looks upon a jury of his debtors; a poor defendant confronts a jury of his creditors. One man can command the services of Mr. Elihu Root and another must be satisfied with a mere tyro. Do they stand on equal terms before an appellate court. It is, to say the least, doubtful.

But, if we have not really made men equal before the law, we have not ceased to wish to do so, and what is still a distant and perhaps unattainable goal may none the less give a definite direction to our political and legal statesmanship.

Now, the Roman state was not founded on a Bill of Rights. The *leges regiæ*, the Twelve Tables, the proclamation made by Evander to the Aborigines of Roma Quadrata, have no assertion that men are by nature equal. Indeed the ancient city state began with the assumption of a great gulf between the civis and the non-civis. To borrow a German phrase, the one was *frei*, and the other, *vogel-frei*. To kill the one was almost parricide.[1] To kill the other was no crime at all.[2] But within

[1] The derivation of *parricidium* from *patricidium*, the murder of a father, is extremely dubious. Apparently murder, as far as it was a punishable crime at all, was always *parricidium* in Ancient Rome. Of all the derivations suggested, the most attractive makes it the murder of a kinsman, that is, a member of the religiously protected group whether that is the blood family or the clan characterized by common sacra. Cf. Strachan-Davidson, *Problems of the Roman Criminal Law*, vol. I, p. 22.

[2] A stranger who entered a city without public or private protection could be killed with impunity because there was no procedure to bring him justice. To kill a protected stranger, *hospes*, was an injury to the protector alone. It was, however, a mark of barbarity that even a casual stranger should be refused either public protection or the protection of at least one citizen patron.

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the state, whatever might have been the undeniable discrepancies of prowess and strength and fortune between citizen and citizen, there was doubtless a rude recognition of equality as well. If booty was to be distributed or land allotted, it is likely that in the organized city state the division was not made as in Homeric society, to the warriors in proportion to their bravery and strength, but equally, *viritim*, each who had played a man's part receiving a man's share.[1] Throughout later Roman history, this real or assumed equality of the ancient *cives* among themselves was theoretically insisted upon. Even those who flagrantly violated it in practice felt compelled to acknowledge its validity, and it served as a constant justification for revolutionary activity.

Equality of the full *cives*, the *pares*, the ὅμοιοι, was perfectly consistent with a state composed of a number of groups radically unequal. The Roman state, in the earliest picture we can frame of it, contained not only free and equal citizens, but women, children, freedmen, aliens, allies and slaves.[2] It had further the peculiarity which most other ancient polities did not have, in that the group of really full citizens was restricted by an indefinite extension of the legal nonage of children.[3]

[1] *Praeda* and *manubiae*, the actual booty and the money realized by its sale, were strictly the property of the state. When a certain part was given to the soldiers, there is no hint of any division except an equal one. To take booty except by allotment was theft by the Lex Julia (Modestinus, D. 48, 13, 15). *Cf.* especially Petronius *Sat.* LXXIX, *sub fin;* Girard, *Manuel,* p. 283; Mommsen, *Röm. Forsch.* 2, pp. 443 *et seq.;* Karlowa, *Röm. Rechtsgeschichte,* II, p. 5.

[2] Very early in Roman history we meet the ingenious device of differentiating between several classes of allies and resident non-citizens. States that made a treaty and received rights of participation in the Roman community acquired them on different terms. In 351 B. C. the Caerites were given citizenship *sine suffragio* (Livy VII, 20; VIII, p. 14), and the precedent was followed. That created for Rome a class of half-citizens, or rather several such classes, for the extent to which civic privileges were abridged, varied with the communities absorbed. All these Caerites were carried on a list separate from the rest of the citizens. However, before 351 it appears that a man was either a civis or he was not. There was no middle course.

[3] Gaius, *Inst.*, I, 55, *Patria potestas* was asserted of the Galatians (Gaius, *ibid.*), and of the Gauls generally (Caesar, B. G. 6, 19). However, among the Gauls it seems to have included only minor children, or adult children as long

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Not even the free and adult Roman was in possession of a complete civic personality unless his father were dead or had emancipated him. We may therefore suppose that the community that organized the Septimontium was in legal contemplation very small indeed and may have seemed to the outside world a tiny oligarchy controlling a much larger number of subjects and servants.

If the essential equality of *cives* had been maintained, such a community had in it the seed of the Bill of Rights. All that would be necessary would be to extend citizenship. And that, of course, happened in due time. First, nearly all Latins, then nearly all Italians and a little after 200 A. D. nearly all residents of the *orbis Romanus*, were Roman citizens. If all citizens were equal this meant that practically all men were, and we are very near the broad humanitarianism of the Declaration of Independence. In both cases, let us recall, "all men" needed interpretation. Both Jefferson and Caracalla supposed everyone would understand that when they said "all men", they meant "all men, not including women, children, slaves and Indians not taxed".

However, the equality of political rights which in the ancient Roman state was one of the characteristics of citizenship, did not expand with the expansion of that citizenship. Indeed it is likely that it ceased to characterize the *civitas Romana* long before the *civitas* began its career of growth. It is at a very early stage of Roman history that we meet the distinction between a privileged and unprivileged citizenship. How that arose we cannot really tell, but we can guess with greater or less plausibility. At one time it was orthodox to suppose that the unprivileged class of plebeians were wholly or chiefly the conquered original inhabitants of the city.[1] A different view is now widely held and one that seems to me rather more

as they chose to remain under the paternal roof. The peculiarity of the Roman institution was that it lasted as long as the father lived, unless he voluntarily relinquished it.

[1] This theory, widely accepted in the last generation, is substantially the Niebuhr-Mommsen theory. The best and fullest discussion of the whole question is to be found in Botsford, *The Roman Assemblies* (1909), pp. 16-47.

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likely. According to this view the plebeians were gradually forced into a subordinate position by the usurpation of some family chieftains who had grown enormously in wealth and consequently in power. However that may be, in that early stage of Roman society which Roman tradition later filled with stories of seven kings, it had been fully accomplished. And when a few of these chieftains drove out the foreign kings, they had no intention of sharing their power with other families or groups. The gap between the privileged and unprivileged became wider and wider and in the Twelve Tables it was sought to make the distinction permanent by forbidding *connubium* between the two groups.[1]

We have therefore at this period what we shall see throughout the development of Rome. Some citizens have capacities, powers and immunities that the others do not have. There were *ordines*, rows, classes in the state.

In the Servian constitution we hear of five *classes*, a word which after passing through many variations has come to mean politically very much what it meant to Servius Tullius. The basis of the classification was property and apparently below all the classes, *infra classem*,[2] there was a miscellaneous group of citizens called *proletarii*.[3]

The purpose of the division into classes was that of apportioning the military and financial burdens of the state. All

[1] This famous provision of the Twelve Tables can be interpreted in accordance with any desired hypothesis. Roman tradition asserted that it was one of the few innovations of the Code. I am inclined to accept the traditional view. It is quite true that the domination of the patrician families had already been much shaken by 450 B. C., but that need not have prevented the last attempt to constitute themselves an hereditary caste.

[2] Aulus Gellius, VI (VII), 13, 3.

[3] About the meaning of this term, there will be learned dispute for many more generations. To ascribe the word to the capacity of the poor as "begetters of children" may be, as v. Mayr has said, "*eine für diese naiven Zeiten kaum glaubliche Ironie*" (*Röm. Rechtsgeschichte,* vol. I, p. 51), but it is not certain that those "naïve times" would have considered it ironical. According to his own version, they are those who become citizens by being the offspring (*proles*) of full citizens without having the property qualification which was the general basis of citizenship. I cannot convince myself that this explanation is very much better than the other.

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the five classes were based on the possession of land and were called *assidui* in opposition to the landless proletarians. Whether the latter had any political functions at all till the time of Appius Claudius (312 B. C.) has been debated, but at any rate the private law, even in the ancient code, did not place *assiduus* and *proletarius* on an equal footing. In procedure the *assiduus* must be supported by another *assiduus* as *vindex;* the proletarian by either *assiduus* or proletarian.[1] The curious result follows that this provision, doubtless intended to confirm the privileges of the classified citizen, was likely in practice to work to his disadvantage since his panel of *vindices* was more limited than that of his inferior.

The business of fiscal organization of the community was detached from the duties of the chief magistracy after the Twelve Tables. The term *classis* is found in the *lex agraria* of 111 B. C.[2] but it is likely that even at this time the word *ordo* was in use to denote the groups as they appeared in the census list. When Roman citizens were freed from direct taxes in 167 B. C. the Servian classes lost their meaning and censors might well have thrown them all into a single *ordo* of citizens. But they did not do so. They listed the citizens in the order of their importance. There were first of all those whom the magistrates were required to summon when they called a senate. And of the rest, the timocratic division was retained long after its fiscal purpose had disappeared. The citizens appeared in the album not alphabetically nor by residence but by the amount of property they possessed.

It is obvious therefore that *ordo* is not quite what the term "class" means to us. The word is used commonly in American communities to indicate a group of families that believe themselves an hereditary aristocracy. Their belief is of course sharply and constantly challenged by most other families and under a democratic construction can hardly receive official sanction. The "upper classes" are somewhat indefinite. The Roman *ordines* on the other hand were not indefinite. No one

[1] Bruns, *Fontes* 6, p. 18, Tab. I, 4.

[2] C. I. L. 1,200,37 Bruns, *Fontes* 6, p. 81.

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could have been in doubt as to what class he belonged to. There was an *album*, a list, into which each individual was duly chalked and he had but to read to know where he was placed. And this *album* was not an unofficial or irresponsible list. The censor made it. That is to say, duly elected migistrates of superconsular rank were entrusted with the task of doing just that one thing, labeling and ticketing their fellow citizens.

How did the censor determine his *ordines?* For the most part he depended on the sworn statement of the citizens listed as to the amount of their property. But now that the *classes* were no longer important, though they doubtless still appeared, what was the basis upon which he drew the line which set off the first *ordo* from the others? The limits within which he could be arbitrary were made fairly narrow by unmistakable popular opinion. This opinion would support him in exercising a slight moral supervision over those he classified. He could, for example, pass over certain names when he made up his list of senators, names that had been placed there in some previous classification. But he could scarcely do so at will. Unless his reason was one acceptable to the majority of the governing classes, he acted at considerable peril. We must not imagine that the famous *cura morum* was other than exceptional. In general the censor's work was still statistical and his clerks had more directly to do with it than he. All the ex-magistrates indubitably belonged to the first *ordo* and these were supplemented by men of distinction.[1] In a few cases, no doubt the censor might have reason for hesitating but generally the supplementary list was as certain in the minds of his fellow-citizens as of himself. Soon the ex-magistrates themselves made a full senate until by law no others could be selected.[2]

But the hereditary principle was not recognized. No man was born into the senatorial *ordo* or any other. By that I do

[1] The first name on the census list, the *princeps senatus,* was placed there *honoris causa,* and not because he was the wealthiest citizen. Doubtless within each *ordo,* graduations in wealth were not observed.

[2] *Lex Cornelia de XX quaestoribus,* passed in 81 B. C. Tac. *Ann.* XI, 22. The statement in the text is an inference from the known provisions of the law. It does not appear explicitly in extant fragments of it.

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not mean that illustrious birth conferred no distinction. On the contrary that was just what *nobilitas* was, to wit, illustrious birth. But it was a social and unofficial distinction. It did not place the *nobilis* in a group marked out by particular legal privileges. It is doubtless a fact that there is always a strong tendency on the part of a specially privileged group to make its privileges hereditary. Indeed I like to suppose that the struggle between the plebeians and patricians of which the traditional manuals give so distorted a view, was essentially an attempt on the part of an *ordo* which was *de facto* almost hereditary, to make itself actually so.[1] The attempt failed. When the hereditary principle again enters the Roman constitutional system, it comes from abroad in the form of something like a caste organization, ancient enough in the Mediterranean world but essentially foreign to the Roman polity.

But if the hereditary principle was not legally recognized till the Empire, the timocratic principle, that based upon wealth, was frankly and fully admitted. We know that it was the basis of the Servian constitution as undisguisedly as of the Solonic. In all rude societies power is so plainly an incident of possessions that many of the refinements of modern economic theory would seem less like paradoxes than like axioms. The *centuriate* organization of Servius enabled a small number of wealthy men to outvote or at any rate to balance, a much larger number of poorer men. And in the tribe organization which was superimposed upon the centuries we shall find the same thing. A majority of tribes decided elections, not a majority of voters. The four urban tribes vastly outnumbered in individuals the thirty-one rustic tribes into which the propertied classes were gathered. The result was that wealth was political power so long as the scanty representations of the thirty-one tribes could be controlled by the great families.[2]

[1] It will not be expected that any full discussion of this problem will be attempted here. It seems better to hold with Botsford that the patricians were never numerous. (POLITICAL SCIENCE QUARTERLY, vol. xxi, pp. 498-526; *The Roman Assemblies,* pp. 16 et seq.), and that they constituted a narrow oligarchy after the destruction of the monarchy.

[2] Whenever we hear of results of elections it is by number of tribes, as in the trial of Coriolanus (Dionys. Hal. VII, 64, 6).

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This state of things we know all too well in English and American history. It was given the unpleasant name of Rotten Borough system in pre-Reform days of England. In the United States it enabled a few thousand voters in certain states to balance ten millions in New York or eight millions in Pennsylvania. It still subsists in the glaring inequalties of districting whereby a vote in Chicago or New York City always counts about half in effectiveness as compared with a vote in Yaphank and Snohomish. Yet we may note this difference. We tolerate gerrymandering and similar iniquities while professing an unqualified devotion to the doctrine of a fundamental and imprescriptible equality of citizens. The Romans did not begin with a mouth-filling phrase that they hastened to evade surreptitiously. Their method was consciously employed to secure a different weight to suffrages that were assumed to be of different values.[1]

The *ordines*, par excellence, were the senators and the knights. But there were others. It would be quite impossible to indicate here the entire history of the census. If we place ourselves at the time of Cicero we find at least six *ordines*, senators, knights, tribunes of the treasury, scribes, freeborn (*ingenui*) and freedmen.[2] They were doubtless unequal in numbers, but they were marked out by definite and legally recognized privileges. Only the first three ever since the lex Aurelia of 70,[3] had the important right of sitting on juries, of constituting the *album iudicum*. The last *ordo* did not possess the *ius honorum*; i. e. they could not hold the higher magistracies, which in effect meant that they never could be senators. Where newly enfranchised citizens, of whom after the Italic wars there were a great many, were put is not altogether clear. Analogy with Greek states would suggest the last class,[4] but there are difficulties with that supposition.

[1] *Cf.* The statement of Cicero (*Phil.* VIII, 2, 7), *ne dominarentur indigni.*

[2] Cic. in *Cat.* IV, 7, 16.

[3] Asconius, p. 16.

[4] This question has nothing to do with the allotment of these *novi cives* to the various tribes. In Athens, naturalized citizens had all rights except the *ius honorum* (Demosth. in *Neaeram*, 92, 1376). But then Athenian freedmen were metics, i. e. not in the citizen class at all, so that the two forms of organization are not really parallel.

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A classification that in theory was revised every five years, which was in the main based upon property, might not open all careers to all talents; but it was something less, much less, than a caste system. Yet even as it was it was not likely to be popular. Even if it is hypothetically possible for everyone to become rich, that possibility does not lessen the bitterness of political inferiority to those who as a matter of fact have not become so. And the chances of rising to the highest ranks are generally confined to a rather restricted group among the ranks not much below the highest. The ascent is hardly ever begun at the lowest rung of the ladder, but most frequently at some point in the middle. So, in that exemplar of caste aristocracies, the Ancien Régime in France, openings were not lacking to the talents, if those talents tended to the accumulation of wealth. More than half of the noble houses existing in the eighteenth century were one or at most two generations old. But it was not a popular system even though a wealthy tax-farmer might, not unreasonably, hope for a barony.

Legal restrictions on members of different classes, the rotten borough system of the rustic tribes, elicited few protests, as far as we can judge. There was in the last century of the republic a determined struggle between the two highest orders for effective control of the state, but it was not a struggle for equality, but on the contrary for the maintenence and intensification of existing legal inequalities. But when public and social recognition of unequal privileges was attempted, we do hear of violent protests.

The particular occasion was interesting enough. With distinctions of dress Romans had long been familiar. Obviously the dress of a wealthy noble was more magnificent than that of the generality of the Roman mob.[1] Besides, the magistrates in ancient times and the senators in the last decades of the Republic had a distinguishing dress. This was extended to

[1] The sumptuary laws that were passed to restrict the amount of ornament and the quality of material, were not intended to equalize the appearance of citizens but were passed in the interests of public morality. At any rate that reason was assigned to them, though the public morality may well have been the resentment of moderately wealthy men at the ostentation of excessive riches.

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some of the knights under Augustus.[1] Apparently the *latus clavus* or the purple of senatorial costume had little about it that was invidious. The senators were practically a group of ex-magistrates and however constituted in fact, owed in theory their elevation to the free suffrages of their fellow citizens. In the same way the privileged seats of the senators in the theatre seemed a reasonable perquisite of their official position and were granted to them as early as 194 B. C.[2] But in 67 B. C. Lucius Otho assigned by law the fourteen rows behind the senators to the *equites*—that is to the second *ordo* of the official census.[3] In doing so he was apparently restoring a privilege which had been bestowed on them almost eighty years before,[4] and lost, perhaps, under Sulla. Even the the earlier occasion had encountered opposition,[5] but the protests against the *lex Roscia* were nothing short of violent. It was well enough for Cicero, the son of an *eques*, to call the law *lex omnium gratissima—quod honestissimo ordini cum splendore fructus quoque iucunditatis est restitutus*.[6] He knew better, for he had been compelled to use his personal influence to rescue the proposer from some of the consequences of his unpopular measure.[7] Augustus himself was violently opposed by his soldiers when he attempted to enforce the law against one of his veterans.[8] Indeed the opposition was determined enough to cause the law to lapse and it was not revived till Domitian,[9] that is, on the threshold of that reorganization under the Antonine Caesars which gave the Roman state so wholly new a coloring.

[1] The capital passage is Ovid's autobiography, *Tristia* IV, 10, 29 *et seq.* Dio Cassius I, IX, 4. It has been conjectured that the *latus clavus* was worn by the *equites illustres* or *insignes* who had full senatorial census and not by the *modici* who had only the old equestrian qualification. Tac. *Ann.* I, 73; II, 59.

[2] Livy XXXIV, 54, 4-8; Valerius Max. II, 4, 3. This was done apparently by the magistrates.

[3] Livy, *Epit.* XCIX.

[4] Velleius II, 32, 3. Horace, *Ep.* 4, 15. Cic., *Phil.* II, 44.

[5] Livy XXXIV, 54 tells us that the murmurs were loud and persistent.

[6] *Pro Murena,* 40.

[7] Plutarch, *Cic.* 13, Pliny h. n. VII, 31.

[8] Appian, *Bell. Civ.* V, 15.

[9] Martial, V, 8, 7 *et seq.*

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Ordines began to multiply and become fixed in their political privileges. Much of this was done by Augustus, into whose political scheme they fitted very well.[1] Dealing not with a Roman city but a Roman world, he found and emphasized the fact that Roman citizenship was itself an *ordo*, distinct from and superior to the various other classes of citizenship in the world.[2] Essentially that was the political ideal of Pompey, in so many ways the precursor of Augustus.[3] To insist on this particular type of inequality was, as we have seen, the fundamental theory of the city state. Roman citizenship was, as a matter of fact, fairly widely distributed. Not only were most Italians Roman citizens, but that citizenship had been bestowed on a great many individual provincials. These accordingly formed in their own subordinate communities a privileged and superior *ordo*.[4] So that for the Mediterranean world under the principate, Roman dominance meant an increase of the complicated system of inequalities already existing.

Augustus, we have seen, also increased the number of *ordines* within the state itself. That could easily enough be done by mere readjustment of the census system. But for him, a line in the census was not to be merely a statistical matter involving

[1] We have already noted the segregation of the knights into *modici* and *illustres*. To the three *ordines* that furnished the three panels of *iudices* he added a fourth *ordo*, the *ducenarii*, who constituted the jury panel for petty causes. (Suet. *Aug.* 32.)

[2] *Cf.* Augustus' political testament in *Dio Cassius.*

[3] Eduard Meyer: *Die Monarchie des Caesars und der Prinzipat des Pompeius.* It is usual to rate Cicero's political capacities rather low, but his own ideal of the state was very much that of his "first citizen" Pompey; and his association with both Pompey and the young Octavian was peculiarly intimate. Octavianus' choice of Cicero as a mentor depended, at least in part, on enthusiastic admiration.

[4] There had been many cases in the last century of the Republic in which Roman citizenship had been refused by individuals and communities. But during the Empire it was an eagerly sought honor almost always. Roman citizenship was held at that time in addition to other citizenships and not in place of them. Alexandrine citizenship had a similarly privileged position. *Cf.* Pliny, *Epist.* X, 6, 7, 10. The best known illustration of the relation between Roman citizenship and other forms is the case of the Apostle Paul. *Cf.* Mommsen, *Die Rechtsverhältnisse des Apostels Paulus, Ges. Schr.* III, 431, *et seq.*

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additional duties to the censor's clerks. A hesitant step was taken in the direction of giving these *ordines* a measure of permanency. It is significant that the means Augustus selected was that slight mark of social prominence given by preferred seats in the theatre and circus. Not only those who were themselves *equites* might enjoy the fourteen rows, but all who had ever had the qualification, or their sons.[1] However, as has been mentioned, the Roscian law fell into practical desuetude after Augustus. There still lurked in the mind of the Romans something of the ancient principle that full *cives* were in legal contemplation equals.[2]

Voices had never been lacking to repudiate the attempted gradation of citizens.[3] In the ideal State of Cicero's Laws, there is no place for an aristocracy based on wealth. "*Nos*", he says in the Laws, "*qui enim paupertatem cum divitiis inter homines esse aequalem velimus.*"[4] Yet in his ideal constitution, the censors are to classify property and citizens as before—*exin pecunias aevitatis ordinis partiunto.*[5] However, he is careful to tell us, political power must not be made to depend

[1] Suet. *Aug.* 14. At this time the sons of senators were *equites* as such. As far as equestrian rank was concerned it had long been practically hereditary though not officially so. Cic. *Pro Planc.* 13, 32. Corn. Nep. *Atticus,* i. C. I. L. IX, 3160, 1540; VI, 1616.

[2] Among full citizens, bankrupts, actors and persons of infamous life were subject to certain disabilities. That, however, was regarded as a punishment and not as the creation of a lower order of citizenship. Freedmen were really merely half-citizens and the lower classes of freedmen, such as *Latini Iuniani,* were in contemplation of law only a group of resident foreigners. The *dediticii,* at first *peregrini* whose state had been wiped out, and later a class of penalized freedmen, were not citizens at all.

[3] In the incident already referred to, the first segregation of the senators in the theatre, Livy reports the popular feeling in these words: *demptum ex dignitate populi quicquid maiestati patrum adiectum esset interpretantibus et omnia discrimina talia quibus ordines discernerentur et concordiae et libertatis aequae minuendae esse.* Livy's words are more significant of the state of mind of his contemporaries than of 194 B. C. We shall note that the *populus* as such has a *dignitas*—a term which becomes practically technical later, and itself indicates the point of view emphatically advocated by Livy, that which insisted upon the prerogative position of Roman citizenship in the Mediterranean world.

[4] Cic. *De Leg.* II, 25.

[5] *Ibid.,* III, 10.

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on wealth. There are optimates and plebs in the ideal state, just as there had always been in the city state, and Atticus speaking as an avowed aristocrat makes the unqualified statement *eam optimam rem publicam esse dico—quae sit in potestate optimorum.*[1] But who are the *optimi?* Not indeed the *primi ordines* of the census. *Nec ulla deformior species est civitatis,* says Scipio in the Republic, *quam illa in qua opulentissimi optimi putantur.*[2] In his view the rule of wealth seemed to be as much an arbitrary tyranny as military domination would be.[3] His real optimates are represented by the *optimus quisque et gravissimus civis*[4] who uses his influence, and merely his influence, to restrain the plebs when its ignorance or inexperience might lead it astray. He asks no other meed than veneration, and it must be willingly accorded. Scipio in the Republic argues the cause of an aristocracy of virtue too warmly to make it doubtful that it represented Cicero's own mature view. The argument runs as follows: Men are by nature unequal—*Cum hoc natura tulerit ut summi virtute et animo praeesent imbecillioribus.*[5] And again he speaks of *summis et infimis qui sint in omni populo necesse est.*[6] But if it is a natural thing, the *infimi* and *imbecilliores* must themselves be aware of it, and if they acted reasonably it would be equally natural, *ut hi etiam parere summis velint.*[7] The least disciplined and most anarchical peoples have many gradations of individuals and ranks.

Cicero knew of an *infimus ordo* as well as of a *summus;* more than that, there were *summi, medii* and *infimi.*[8] But we cannot say with certainty that the control which he assigned to the optimates was meant to be a legally recognized set of pre-

[1] Cic. *De Leg.,* III, 17, 37.
[2] Cic. *De Republica* I, 51.
[3] *Ibid.,* II, 124, 2.
[4] Cic. *De Leg.* III, 17, 39.
[5] Cic. *De Rep.* I, 51.
[6] *Ibid.,* I, 53.
[7] *Ibid.,* I, 51.
[8] *Ibid.,* II, 69.

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rogatives. Doubtless that is what he would have preferred—a government of gentlemen; yet he will not say so directly. He qualifies the aristocratic dogma of Atticus which has already been cited. And he is emphatic that the jibe to which Ovid later gave voice, *dat census honores*[1] should not be true. But there are two things about which he is intentionally vague. The first is the method by which optimates, the men excelling in character and mind, are to be selected. The second is the question whether the control of the optimates is to be fixed in statute or depend on the veneration accorded to their manifest superiority. Are the good alone to have the *ius honorum?* Are they alone only to exercise the tribunician veto? Shall only their resolutions have the force of law? Everything that he says, at least all for which he assumes personal responsibility, is consistent with a Houyhnhnm state, one in which the severest coercion is reasonable persuasion.

But if laws are made by the optimates, or if they have merely a preponderating influence in their establishment, they are to be obeyed by optimates and plebs equally. A rule of law that applied to one class only would not be a law at all in the highest sense. Of the ideal monarch Cicero says, *aequitate constituenda summos cum infimis pari iure retinebat. Ius enim semper est quaesitum aequabile neque enim aliter esset ius.*[2] Nor is the equal pressure of the law merely a device to win the support and good will of the governed. It is a principle in itself. Equality and justice are to be sought for their own sake and not as a device for successful administration.[3]

In a question of technical law, equality of application need scarcely be defended. Cicero writing as a lawyer to his lawyer friend Trebatius derives from the great principle that equity is equality, the doctrine that under the Twelve Tables, the time within which prescriptive title can be established for a house must be the same as for a farm, because both are alike immovables.[4] But the equality there urged is merely the application

[1] Ovid, *Fasti*, I, 217.

[2] Cic. *De Off.* II, 12.

[3] Cic. *De Leg.* I, 49.

[4] Cic. *Top.* 4.

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of the same rule to similar circumstances, and is no more than a grandiloquent way of stating the logical principles of analogy. Legal equality, as Cicero states it in the Offices, is quite a different thing. It will have it that in the power to use the courts the law knows only one class, that of *civis*.

Cicero's doctrine of equality in effect is that in the protection of property all citizens should be treated equally. In political influence on the community they certainly ought not to be, and perhaps not even in the exercise of actual political functions. What he would have said of the criminal law, we cannot be sure, but it is likely that here as in the case of law generally he would not have readily assented to the doctrine that punishment for the same act should vary with the offender.[1]

Now, if there are *summi* and *medii* and *infimi* in the state, the law can hardly help noticing that fact. Damages for *iniuriae* were given by the Twelve Tables, were classified and extended in the praetor's edict and were supplemented by criminal prosecution under the *lex Cornelia*.[2] Injuries, however, soon ceased to be wholly or even chiefly, the battery or mayhem which the Decemvirs contemplated. Insult and slander became the principal types and compensation was calculated, we are told, *ex facto*, *ex loco*, *ex persona*.[3] It could scarcely be the same if an ex-consul was publicly reviled or a fishmonger. Even if Cicero's classification was purely a matter of social rank, the law had to take that fact into account in this action if in no other. To know how to penalize a wrong-doer, it was necessary to be sure of the standing or *dignitas* of his victims. Even in perfect political equality, one man might be *dignitate princeps*. By hyperbole the *dignitas* might rise even higher, as in the case of Pompey,[4] without changing the character of the state as a free association of political equals.

[1] In general his doctrine of criminal law was to make the punishment fit the crime, not the criminal, *noxiae poena par esto*. *De Leg.* III, 20, 46.

[2] Girard *Man.* [5], pp. 400-402.

[3] Gaius *Inst.* III, 225.

[4] Cic. *De Imp. Pomp.* 14, 42, *ut is qui dignitate principibus excellit, facilitate infimis par esse videatur.*

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That rank was the recognition of superior merit was doubtless the original conception of the term *dignitas;* but the word soon became a more definite thing. Velleius Paterculus, speaking of this same hyper-excellent Pompey, says, *paene omnium vitiorum expers, nisi numeraretur inter maxima, in civitate libera dominaque gentium indignari cum omnis civis iure haberet pares, quemquam aequalem dignitate conspicere.*[1] Velleius is probably punning on *dignitas* and *indignari*, but two things are noticeable in his statement. The superior *dignitas* which Pompey desired was no mere moral preeminence. It was a recognized rank, a principate which Augustus erected into a definite magistracy. And Velleius writing under Tiberius is acutely aware how completely it contradicted the accepted and ancient theory of the equality of all citizens. His revered Tiberius is represented as himself preferring the ancient ideal, *ut potius aequalem civem quam eminentem liceret agere principem.*[2] But that ideal had long been ignored in practice and this verbal reassertion of it comes just when the Empire was being reorganized on an official repudiation of it.

A distinction between *honestior* and *humilior*, *superior* and *inferior*, *protentior* and *tenuior* had long existed. The Auctor ad Herennium knows of an undesirable citizen who could be described *in superiores contumax, in aequos et pares fastidiosus, in inferiores crudelis.*[3] Caesar uses *humilior* as an intelligible term in speaking of Gallic communities.[4] And the homely philosophy of Publilius Syrus often has occasion to note the difference between the two in the everyday contacts of life. So he writes. *Inferior rescit, quicquid peccat superior.*[5] By the time of Publilius, *dignitas* was a matter of rank which could be possessed without moral or social qualifications. This is apparent from the line, *Loco ignominiae est apud indignum*

[1] *Hist. Rom.* II, 29, 4.

[2] *Ibid.*, II, 124, 2.

[3] *Auct. ad Heren.* 4, 40.

[4] *B. G.* 6, 22; 8, 51.

[5] Publilius Syrus (Ed. Bickford-Smith), 261.

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dignitas[1] and equally, perhaps, from *Virum bonum natura non ordo facit.*[2]

Publilius has the attitude of the man in the street. He was further an Oriental slave who had grown into the habit of obedience and deference. No one could know better than he that the fact of higher social rank meant a real superiority of power. But he knew more. He knew that once rank was legally recognized, even by slight prerogatives, those who had it, arrogated to themselves still more.

Cui plus licet quam par est, plus vult quam licet.[3]

That this virtual and legally accepted inequality was a corruption of an older and better state was a commonplace of the senatorial reaction during the principate. But the equality of which they regretted the loss was not the equality of the Bill of Rights. What Lucan and Tacitus desired was the equality of a Spartan oligarchy in which citizenship was the jealously guarded prerogative of a few, but in which the few were all peers, the *ius eximium civitatis Romanae.*[4] That is the real meaning of the bitter reflection of Tacitus, *omnes exuta aequalitate iussa principis aspectare,*[5] or his reference to the tyrannies that followed the rejection of equality.[6] It is not to be supposed that Tacitus would have preferred the sovereignty of the comitia.

Tacitus had no hope of a restoration of the pristine city state. Just as clearly as modern economic historians he knew that equality is a characteristic of small and poor states, when men's possessions are in fact equal and adequate to their needs;[7] *rebus modicis aequalitas facile habebatur.*[8] When he

[1] Publilius Syrus, 325.

[2] *Ibid.*, 703.

[3] *Ibid.*, 142. Gellius 17, 14. *Cf.* also Publilius, nos. 41, 166, 169, 237.

[4] Cic. *In Verrem* V, 63, 163.

[5] Tac. *Ann.* 1, 4.

[6] *Op. cit.*, III, 26.

[7] Pound, *Spirit of the Common Law,* ch. V, esp. pp. 135-137. Beard, *The Economic Basis of Politics,* pp. 69-88.

[8] Tac. *Hist.* IV, 80.

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wrote, the political constitution was soon to receive its new impulsion toward monarchy and bureaucracy under Hadrian. *Ordines* were tabulated with precision and care and to each *ordo* a *dignitas* of a real kind resulting in social and legal privileges was attached.

Thus the conception of *dignitas* takes on a new and concrete sense. It means belonging to some *ordo* that had some other *ordo* to look down upon. When there were a great many *ordines* it would go hard indeed if a man could not wrap himself in his dignity as compared to some one standing on a still lower level. The lowest class of freedmen, the *Latinus Iunianius*, the very *dediticius*,[1] was at least, as compared with a slave, the latter's superior in *dignitas*. Nay, the slaves themselves varied. A *villicus* was not the same thing as a member of a gang of Apulian herd slaves, and the law will take cognizance of that fact. So if a man has a usufruct in a slave, it is ruled by Ulpian, he must use him *secundum ordinem et dignitatem*.[2] It appears that servile rank depended in part on the slave's cost. Here, then, were human beings whose "dignity" could be determined by an inspection of the bill of sale, a criterion which Sir Robert Walpole is credited with having employed in estimating his contemporaries.

However if it is true that any order necessarily had *dignitas*, especially as compared with the one below it, that term was especially employed of the upper orders, the senators, knights and those immediately following them, who were the *honestiores*, as distinguished from the rest, the *humiliores*.

We find this distinction full-blown in the later criminal law. It is made with especial rigidity in the matter of punishment. For many crimes the *honestiores* were punished by exile to an

[1] Mitteis in his introduction to the legal papyri collected by himself and Wilcken announced the hypothesis that the *deditícii* were identical with those who paid poll-tax. There is, however, no shred of evidence that this is really so. Indeed Mitteis is forced to the supplementary hypothesis that a later Imperial ordinance extended the provision of the constitution of Caracalla to these poll-tax payers. Every reference to the *deditícii* of the later Empire is to a class of freedmen convicted of crime and therefore disfranchised completely.

[2] Ulpian, *Dig.* 7, 1, 15, 2.

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island, the *humiliores* by compulsory service in the mines.[1] *Honestiores* could not be flogged, though *humiliores* were.[2] Similarly the former could not be subjected to torture[3] except by a rescript of 308 A. D. in case of conviction for magical practices,[4] and perhaps still later, although the text is apparently earlier, in the case of treason.[5]

When did this distinction enter the Roman law?[6] By the time of the Antonines, that is, about the middle of the second century it is completely recognized. There are now classes of Roman citizens whose bodies are second-rate, only fifty per cent sacrosanct, as it were, and the exclamation of Cicero, *scelus verberare (civem Romanum)*,[7] would find little echo in the situation of 150 A. D. In this, it is true, an older practice was re-established, for the rods in the lictors' fasces and certain ancient formulas indicate that flogging, even of citizens, was not unknown to the hirsute Ahalae. Cicero himself, despite his protest in the case of Gavius, regarded scourging as a legitimate discipline. *Magistratus nec oboedientem et exin* [*?*] *noxium civem multa vinculis verberibusve coerceto.*[8] But what all citizens might endure, even if contumelious, was no infringement of equality. We are not so certain that Cicero would have willingly divided Romans into two groups, one of which was less precious to the state than the other.

[1] The references are too numerous to be cited here. Typical among them are *Dig.* 48, 8, 3, 5; 2, 15, 18, 23, indeed the entire title 19 (*De Poenis*) of the 48th book. The material is well collected in the article of C. Jullian on "*Honestiores — Humiliores*", *Dar. Sagl. Dict. des Atn.*, III, 235; and in Mommsen's *Strafrecht*, see indices s. v.

[2] *Dig.* 48, 19, 28, 2.

[3] *Cod. Inst.* 9, 18, 7, pr.

[4] *Ibid.*, 9, 18, 7.

[5] Paul. *Sent.* 292.

[6] It is not a little remarkable that this differentiation of punishment in accordance with the person of the offender, is the most modern and scientific theory of criminal law. We have but to change *qualitas personae* from a phrase denoting social rank to one denoting individual character, as determined by environment and heredity, to bring this principle of the criminal law within the doctrine of such a book as Saleilles, *L'Individualisation de la Peine.*

[7] Cic. *in Verr.* V, 66, 170.

[8] Cic. *De Leg.* III, 3, 6.

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Tacitus tells us how penalties were differentiated, to be sure, by Nero, according to the accused's rank,[1] and Suetonius in commenting on acts of Caligula[2] certainly implies that the condemnation of men *honesti ordinis* to the mines was practically illegal. If we were to accept the testimony of Justinian's *Institutes*, the distinction is already found in the *lex Julia de adulteris*.[3] But the *Institutes* state the law of Justinian's time and any amendments this *lex* had received would be sure to be embodied in the statement of its provisions. Yet it is to be noted that the distinction made here is not quite that of the later law, viz. exile for the *honestiores* and death for the *humiliores*, but confiscation of half their estate for the former and scourging together with exile for the latter. It is not quite impossible, despite the dubious character of the testimony, that the distinction does go back as far as Augustus.[4] Under either the *lex Julia* or *Papia-Pappaea*, senators and their sons and grandsons were forbidden to marry freedwomen[5] and an indefinite group of degraded women.[6] There is some dispute as to what the penalties were in case such a marriage was entered into but if the word "*humilis*" was in the original text of the law we should have at least one legislative recognition of the difference between *humilis* and *honestus* at the very beginning of the Empire.

Further we find in Labeo, writing under Augustus, the statement that the action of *dolus* could not be brought by a *humilis* against one *qui dignitate excellit*. This action was the creation

[1] Tac. *Ann.* 16, 5.

[2] Suet. *Gaius*, 27.

[3] *Inst.* IV, 18, 4.

[4] There was a class of men whom the injured husband might kill if he caught them in adultery. This group included definite *humiles personae* and a certain group of freedmen. *Dig.* 48, 5, 24, and C. 9, 9, 4. Apparently this was in the original form of the law as well, and while it does not classify offenders as *humiliores* and *honestiores*, it makes a distinction in the criminal law which before had merely political significance.

[5] We have the words of the *lex Iulia et Papia* quoted in *Dig.* 23, 2, 44, pr. The two laws were apparently quite distinct (*cf.* Girard, *Manuel* 875, n. 4) but the later jurists treated them frequently as a single measure under the name quoted.

[6] Specified in Just. *Cod.* 5, 5, 7, 2.

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of Cicero's colleague, Aquilius Gallus, praetor in 66 B. C.[1] It may well be that we must go as far back as that date for a first official notice of the distinction. Taken literally it might mean the refusal of the action to an *eques* against a senator or to a *praetorius* against a *consularis*. It is not likely that these more specific graduations were recognized. Probably Gallus and Labeo had in mind the action of a freedman or an *infimis* against a senator.

There were other instances in which the *honestior* was at a legal advantage compared with the *humilior*. The *dignitas* of some guardians entitled them to have a special actor appointed.[2] In cases of bankruptcy the *dignitas* of one of equal creditors entitled him to slight preferential treatment.[3] To take a further instance of what is not precisely a legal prerogative, it is suggested by Ulpian that a man *qui claram dignitatem habere se praetendebat* was less likely than another to want police protection in case of need.[4]

Since *dignitas* was a matter of *ordo*, the increase of *ordines* multiplied dignities. And in the Empire all those who had held an office promptly became members of an *ordo* constituted by the present and former holders of it. Theoretically all Roman citizens except freedmen and certain despised trades were eligible to any office and hence to any dignity. Even the most shameful birth did not exclude them.[5] But in practice, although we hear of possibly wealthy *humiliores*,[6] appointment

[1] Aquilius was a lawyer of an original and keen mind. He was the author of the Aquilian stipulation as well as other procedural reforms. Of course his edict may have said nothing about the incapacity of certain persons to bring the *actio doli*, but it would seem at least as likely that when he announced his new action that he limited its application. We can only conjecture that the reason for the limitation mentioned by Labeo was the fact that condemnation meant *infamia*. However, many other actions involved that without being thereby unavailable to an *inferior* against a *superior*.

[2] Paul *D.* 26, 7, 24, pr.

[3] Pap. *D.* 2, 14, 8.

[4] *Dig.* 4, 2, 23, pr.

[5] *Dig.* 50, 2, 6, pr. Freedmen, of course, were eligible to the imperial positions such as *praefectus* and *procurator*.

[6] *Dig.* 47, 11, 6.

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to these offices was a matter of wealth and the hierarchy of the dignities was as timocratic as that of Servius and Solon. Again we note the Roman quality in the fact that the dependence of dignity on wealth was not surreptitious, but open and avowed. A constitution of the *Diva Fratres*, Marcus and Verus, required decurions to be selected on a property qualification.[1] And that same qualification is implied for many other dignities.

The Romans gave scant recognition to what our politicians are pleased to call the dignity of labor. Both lawyer and layman were fully convinced that labor was a curse and the characteristic of a corrupt Iron Age. A manual trade was below the dignity even of a freedman who had once exercised it, provided that, being free, he chose to abandon it. Not even his patron could demand services of him that involved resumption of the work he had discarded.[2]

As far as women were concerned, a system which assumed that they needed a perpetual tutelage was not likely to profess a desire to equalize the political prerogatives of the sexes. Indeed women really had no *dignitas* of their own at all, but obtained whatever they could pretend to, from their fathers or husbands.[3] Once acquired, however, it was real possession. Whatever the immunities and privileges of a man of a certain *ordo* were, women of that *ordo* enjoyed them also. But not quite equally. In what we might call the sub-dignities, the mature law of Rome seized upon a chance to affirm the inequalities of sex. The wife of an ex-consul was lower in dignity than an ex-consul himself, says Ulpian,[4] and even than an ex-praetor, because—and it may be as well to quote the text literally—*maior est dignitas in sexu virili*. We do not know exactly the legal nature of the preference which these sub-dignities had over each other. But it was substantial, if slight, and not the mere presence or absence of a honorific mode of address.

[1] *Dig.* 50, 4, 6.

[2] *Dig.* 38, 1, 38, 1. The phrase used is *contra dignitatem.*

[3] *Dig.* 1, 9, 8 and 9, Frag. Vat. 104.

[4] *Dig.* 1, 9, 1.

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In all cases whether the distinction is between the senators as a body and the rest of the population, or between each *ordo*, the classification of Roman citizens served a twofold purpose. It first of all confirmed the tendency, growing ever since Augustus, to make Roman citizenship a complex and not a simple thing, in which a finely graded series of honors ran from the divine *princeps* to the almost servile *dediticius*. If *suum cuique* was the foundation of justice,[1] in the Empire at its highest development, it could be said that there were very few men to whom the same thing was due. Every *ordo* had its little group of immunities which differentiated its members from every other.

But the second purpose was a little more fateful for later society. Each *ordo* had not only its own immunities but its own *munera* or duties. The burdens and functions of the state were cut into extremely fine portions and distributed to hundreds, perhaps thousands, of groups. By the end of the fourth century, these groups had become locked castes into which men were born and the honors of which they could be compelled to wear even if they had to be lashed into accepting them. The free and equal citizens of the ancient city state had been turned into a community in which no one was really free and scarcely any two were equal.

By a curious paradox, one *ordo* cut through the whole state and by its nature resisted the caste organization. That was the military order. There was a time when citizen and soldier were identical, when the centuries were simply the *quirites* assembled for the spring forays into their neighbors' fields. But that lay far in the past. The military class had long been professional in great part, with permanent careers leading to the highest honors, and, comfort and security for the survivors of the endless campaigns. Very soon the class received extraordinary privileges. The rules of succession, of testamentary form and capacity were completely transformed in their favor and in favor of their children. By the *peculium*

[1] This maxim, one of the three famous maxims of Justinian's *Institutes* (*Inst.* I, 1, 3) is in that form at least as old as Cicero's *De Off.* I, 7, 21, *quod cuique obtigit id quisque teneat.*

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castrense, a *filius familias*, if a soldier, had almost full control of his property. His irregular unions were treated as quasi-marriages. He was excused from the onerous burden of guardianship. Civilian lawyers might tell themselves that some of these formidable privileges were a concession to soldiers *propter nimiam imperitiam*.[1] The fact is that they created a highly privileged class which conducted itself in public and private affairs as privileged classes frequently do.

The paradox which I have mentioned lies in the fact that in the *ordo militaris*, and there alone in the later Empire, equality of opportunity was found. The organization of the army was strictly hierarchical. The military *cursus honorum* was elaborate and was carefully followed. But military capacity, often mere strength, could both accelerate it and break through it. And since military status could never be hereditary in law, it gave those whose spirit did not brook the beehive state organization, an avenue of escape. Thus the bureaucracy which labeled and docketed all Romans chiefly in order to render the state's military functions more efficient, had to allow to the military class itself an organization very different from its own.

What was the Roman attitude to the profound change that separated the ancient civic order from the latter one? The demarcation between first class and second class citizens, between the *honestiores* and *humiliores*, was eminently satisfactory to the first class ones. We have an excellent sample of one of these first class citizens in the younger Pliny who in a letter warns his friend Tiro of excessive familiarity with the provincials.[2] He is advised to keep within bounds sufficient to maintain *discrimina ordinum dignitatumque*, "the distinctions of rank and position," *quae si confusa turbata permixta sunt, nihil est ipsa aequalitate inaequalius*.[3] Pliny is applying the phrase of Cicero in such a way that while the play on words is

[1] Gaius, *Inst.* II, 109.

[2] Pliny, *Ep.* 9, 5, 3.

[3] The same idea and expression is used by Callistratus (*Dig.* 2, 18, 9, pr.), *ex conversatione aequali contemptio dignitatis nascitur.*

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heightened, the meaning is wholly destroyed.[1] What the gentleman from Lake Como means to say is simply that anything remotely like real equality would shake the foundations of the universe and he doubtless reflects well enough the sentiments of his class.

But there were other feelings. Though the state of Diocletian had finally changed a community of free men into a hive of tax-driven bees, we are not to suppose that all men felt that the condition was desirable. The ancient parity of citizens seemed to many a nobler and a loftier ordering of the world not only as the regretted splendor of a Golden Age but as the philosophic ideal to which life should tend. To this the dominant philosophy, the Stoa, gave considerable aid.[2] Stoic cosmopolitanism was based on the theory that there is a better city than the city of marble and stone, and of that city the citizens are wise men who are all equal. Nor is that city in the clouds. It is on earth and it needs only proper training to make of *Quirites* the burghers of this cosmopolis. Just as in the Christian brotherhood, there was neither slave nor free, neither Greek nor barbarian, man nor woman.[3]

It is, therefore, a Stoic commonplace which we find in Seneca's *prima autem pars est aequitatis aequalitas*.[4] It is highly characteristic of this mealy-mouthed and unctuous person that the equitable equality to which he refers is the equality of death, to which, dear brethren, we are all alike subject. But Seneca gets his phrases right even if they ring hollow when they are struck, and this is no exception. The equal pressure of the laws, the absence of privileges, is a logical inference from the Stoic conception of a community of wise men who are necessarily equal, wisdom being what modern biologists might call a unit character.

[1] Cic. *Rep.* I, 53, *cum par habetur honos summis et infimis . . . ipsa aequitas iniquissima est.*

[2] Zeno, the founder of Stoicism, wrote a book on *The State* (πολίτεια), of which only inconsiderable fragments remain. However, the general outlines of the Stoic theory of society are well enough known.

[3] Zeno wished men and women to dress alike. Many other Stoics desired the same education for the sexes. Friedländer, *Sittengeschichte* I, 504.

[4] Sen., *Ep. Mor.* 30, 11.

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Stoicism became, we all know, a sort of established church. If its Articles of Faith were never seriously put into practice, that was because of one simple consideration. In all others, practical exigencies not only might by Stoic principles actually be considered but indeed, in the opinions and practice of many Stoics, must be taken into account. And under practical exigencies organization of the community was inevitable. But organization was taught to the Roman states by the great models of the Hellenistic Kingdoms in Asia and Egypt, and these had brought to a high perfection the caste systems of the ancient kingdoms they superseded. Thus the East gave to Rome both the practical fact of inequality, fixed into unescapable *ordines* and regulated by the needs of the state, and the corrective ideal of a perfect city of equals living in accordance with a Law of Nature. But in the Stoic Cosmopolis, by definition, there could be no better or worse, and no rule of the one by the other. Whether it lay in the remote past or the distant future, that city was thought of as a conceivable ordering of human affairs, in existing and known regions, not in the Hesperides. And its principle of equality became a part of the Roman system, when the Stoic-trained Syrian of Berytus, the vastly erudite Ulpian, qualified his analysis of legal relations by the famous phrase—*quod ad ius naturae pertinet omnes homines aequales sunt.*[1]

There was more than one law of Nature, and we are apt to speak of the law of Nature in the Stoic sense as though there were no other version of it. The Stoic law of Nature was an ideal, just as the Platonic law of Nature was a barbarous condition from which civilized man had happily escaped. However, the law of Nature which in a barbarous society means the rule of the stronger, means under civilization the rule of the better,[2] and this law of Nature we are told is as eternal as Time.[3] That is the *communis lex naturae* that Cicero got from his philosophic masters.[4] It is a law of

[1] Ulpian, *Dig.* 50, 17, 32.

[2] Plato, *Laws*, III, 690.

[3] Dionysius Hal., *Hist.* I, proem.

[4] Cic., *De Rep.* I, 17, 27.

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inequality. Cicero, to be sure, in another context, knows of a law of Nature by which all things are common.[1] He may be here merely transcribing Panaetius and therefore repeating a Stoic doctrine, but it is not difficult to reconcile this with the law of Nature as Plato and doubtless the New Academy understood it. All things are common by Nature, but men's capacities to appropriate this common property vary considerably by another and equally valid natural law, and Cicero expressly recognizes in the same context the moral justification of this appropriation.

Thus we end where we began, with the Declaration of Independence, with the Bill of Rights, with the Ulpian on the Edict. The Roman state began with a parity of full citizens—the *patresfamilias*. It ended in the Diocletian monarchy, with a vast dove-tailed and differentiated system of practically hereditary castes. The principle of the city state, that all full citizens were peers and that no non-citizens had rights at all, had been modified for the world state into the principle that citizens as such were not legal peers and that non-citizens scarcely came into contemplation.

And by a curious inversion what they lost as citizens, men gained as human beings. To the ancient polity, it would have seemed a preposterous absurdity to regard as equal, citizen and stranger, *paterfamilias* and *filiusfamilias*, master and slave, man and woman. That paradox the Stoic Law of Nature took as an axiom, and saved it in despite of monarchy and feudalism for the Eighteenth Century to nurse into the seed of revolutions. So, too, American Bills of Rights have saved it, again in the teeth of actual facts, for purposes which we can readily enough foresee and which we can render innocuous only by clearly facing, as the Romans did, a contradiction between ideal and practical politics.

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[1] *De Off.* I, 7, 21.

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DEMOCRACY *VS.* DEMAGOGY. I

THE SWISS REFERENDUM AND CONFISCATORY TAXATION

WHEN discussing in the past the merits and dangers of direct democracy, I have often met with the objection: "Your Swiss experiment is not conclusive. If once your socialists appeal to the people with a proposal to confiscate the fortunes of the wealthiest five per cent of your population, what is to prevent the remaining ninety-five per-cent from expressing their approval at the polls? As long as this test has not been applied, the initiative and referendum remain interesting, but singularly dangerous, devices."

I propose in this article to tell why, how, and with what results this crucial test was applied on December 3, 1922, when the people of Switzerland, by a vote of 736,652 nays against 109,702 ayes, and by all cantons against none, rejected an initiative proposal to levy a graduated tax of eight to sixty per cent on private capital. The proposal had been put forward by the extreme socialist party with the alleged purpose of "permitting the federal state, the cantons and the municipalities to carry out their social duties." The particularly demagogical character of the measure, which was directly to affect only six per thousand of the population, the unprecedented participation of the electorate at the polls, and the unusual and quite unexpectedly imposing negative majority all tend to make of this referendum an event in the history of applied democracy which should prove to be of general interest to students of finance and politics the world over.

Before analyzing the bill designed to pit 994 tax-free individuals out of every thousand against 6 opulent victims, and before describing the fate which befell it at the plebiscite, it may be useful to recall the general political and financial circumstances out of which it arose.

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I

Political and financial antecedents

Revolutionary socialism as a political factor of importance in Swiss national affairs is a product of the last generation. The origin of the industrial proletariat in Switzerland, it is true, dates back about a century and a so-called "Swiss Social Democratic Party" was founded as early as 1870, but both long remained unorganized and ineffective.[1]

In 1890 six socialists were elected to the National Council (House of Representatives), whose membership was at that time but 147. In 1893 the party launched its first constitutional initiative proposing the insertion of a general "right-to-work" clause in the fundamental law of the land. The signature of 52,387 citizens—only 2000 more than were required—having been secured, the measure was put to a vote of the electorate. It was rejected on June 3, 1894, by all the cantons and by a crushing popular majority of 308,289 nays against 75,880 ayes.

Since that time the socialist party has gradually gained in power, but in 1918 it still had but 19 representatives in the National Council, whose membership, based on the population of the country, had grown to 189. It is true that at the October elections of 1919, at which the principle of proportional representation was applied for the first time, the socialists captured 38 seats, besides 3 which were secured by their still more extreme communist allies. However even then they represented only a fourth to a fifth part of the national electorate.

The comparative weakness of revolutionary socialism in Switzerland, in spite of the highly industrialized state of the country, is due to a variety of causes. The democratic character of the political and social institutions, the lack of great accumulations of wealth in private hands and the still prevailing semi-peasant type of industrial laborer no doubt explain the

[1] Rappard, *La Révolution industrielle et les origines de la protection légale du travail en Suisse* (Berne, 1914), p. 281 *et seq.*; Berghoff-Ising, *Die socialistische Arbeiterbewegung in der Schweiz* (Leipsic, 1895), p. 61 *et seq.*

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generally conservative temper of the people. It is, however, due in no small measure to the generous and liberal policies of the radical-democratic party which has been dominant in Switzerland under one name and another ever since 1848.

In the course of the last generation the initiative, the referendum and proportional representation have been adopted almost throughout the whole country, the railroads have been placed under state ownership, a federal bank of issue has been established, a national scheme of workmen's insurance against accidents and sickness has been devised and put into operation, and progressive taxation on income, property and estates at death has been made the basis of the cantonal budgetary systems. During the war also, as we shall see presently, an appreciable part of the tremendous sums necessitated by the mobilization of the army and by various very costly measures taken to combat the rising cost of living was raised by federal progressive taxation of property and income. In brief no well-informed and impartial observer could deny that the policies of the ruling bourgeois party have on the whole been constructive and generous in the recent past.

They have however been quite insufficiently so in the estimation of the leaders of the socialist party whose interest as well as whose normal function have naturally been to seek to accelerate the pace of social progress. Ever since the end of the eighties they have urged, among many other bold state and municipal undertakings, the establishment of a general old-age pensions and invalidity insurance scheme.[1] For the last decade the ruling parties have, with more or less enthusiasm and sincerity, all agreed to this in their programs and electioneering addresses and have repeatedly invited the federal government to submit a general bill on the subject.[2] In spite of countless suggestions and discussions, however, it has not yet been possible to devise such a measure which, while sufficiently liberal to satisfy those who called for it, would at the same time

[1] *Bulletin sténographique officiel, Conseil des États,* 1919, pp. 4, 15.

[2] See *Message du Conseil fédéral à l'Assemblée fédérale, du 21 juin 1919, F(euille) F(édérale) S(uisse),* 1919, vol. III, p. 1.

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be sufficiently economical not to ruin the public finances. As the national government was under the constitution debarred from establishing direct taxes and as any increase of the customs duties was sure to be resented as contrary to the interests of the masses, the war found Switzerland deprived of any general system of state insurance against old age and invalidity.

The outbreak of hostilities in August, 1914, naturally postponed the further consideration of all plans of social amelioration. Not only was public attention diverted to the more urgent problems of national security, threatened both politically and economically by the military operations and by the blockade policy of belligerent neighbors, but the increased expenditure and the shrinkage of the revenue completely upset the budgetary equilibrium.

In 1913 the total expenditure of the federal government had amounted to a little over 105 million francs and its revenue to 100 millions, more than 85 of which had been raised by import duties. In 1918, at the close of the war, the annual ordinary expenditure had increased to 163 millions and the annual ordinary revenue to 101 millions, only 44 of which had been derived from the customs.

These figures, relating to the ordinary budget alone, give but a very incomplete picture of the real situation. They include neither the cost of the mobilization, which by the end of the war surpassed one billion francs, nor the losses incurred by the federal government in the application of its food policy for the revictualling of the population, nor the expenses of the federal state railroads, which had been crippled by the complete breakdown of the traffic no less than by the greatly enhanced price of coal, and whose deficit for the year 1918 alone amounted to nearly 128 millions. As a result of all these circumstances the federal debt, exclusive of that of the national railroads which in 1918 amounted to 1637 millions, had increased from 146 millions in 1913 to 1435 millions in 1918 and the sum payable annually thereon for interest and redemption, from 9 millions in 1913 to 60 millions in 1918.

The increased outlay had been met partly by loans and partly by the creation of new federal taxes. The loans floated

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from 1914 to 1918, at a rate of 4½ and 5 per cent, amounted to a little over a billion francs, of which all but 15 million dollars, raised in New York in 1915, had been absorbed by the local markets. Besides over 300 millions of floating debt were outstanding at the end of 1918.

In order to make up for the reduction of its indirect revenue, to contribute to its increased expenses and to secure its debt, the Swiss government during the war also levied several new taxes.

The first was the so-called federal "war tax". According to the provisions of this measure all individual fortunes of more than 10,000 francs and all individual earned incomes of more than 2,500 francs were to pay a rated tax varying from 1 to 15 per thousand on capital and 0.5 to 8 per cent on income. Besides, all corporations were to pay a rated tax according to their capital and to the dividends distributed in the triennial period from 1912 to 1914. As the levying of such a direct tax by the federal state involved the passing of a constitutional amendment, it was submitted to the compulsory referendum on June 6, 1915. This amendment, which provided that it was to remain in force only until the tax was completely paid, was adopted, amidst great patriotic enthusiasm, by the overwhelming majority of 452,117 ayes against 27,461 nays and by all cantons against none. Paid in the course of 1916 and 1917, this first war tax produced about 125 millions, of which the federal treasury retained about 100 millions, after ceding twenty per cent of the receipts to the cantons as provided for in the constitutional amendment.[1]

As the war and its expenses continued and as on the other hand it had given rise to great industrial and commercial activity in many quarters, a federal war-profits tax was next adopted in 1916.[2] Made retroactive and levied first at the rate

[1] *Messages du Conseil fédéral à l'Assemblée fédérale du 12 février et du 17 août 1915. F. F. S.* 1915, I, 147; III, 119.

[2] This was done by the federal government in virtue of the extraordinary powers which had been vested in it by the legislature at the beginning of the war. See *IVe et Ve Rapports du C. F. à l'Ass. féd. sur les mesures prises par lui en vertu de l'Arr. féd. du 3 août 1914, du 9 septembre et 17 novembre 1916*, pp. 33 *et seq.* and 23 *et seq.*

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of twenty-five per cent and then at that of forty-two per cent, it had produced by the end of 1918 about 236 millions, a tenth of which was paid over to the cantons.

On May 13, 1917, the people adopted another constitutional amendment providing for the introduction of a stamp tax on securities, which by the end of 1918 had yielded about ten millions of francs.[1]

The sums thus raised by direct taxation, although compensating the loss resulting from the decrease of customs revenue, were far from sufficient to cover the greatly increased current expenses, to repay the public debt and still less to allow for the realization of any scheme of old-age pensions.

The federal government had itself in August, 1916, drawn up an extensive fiscal program, providing for the establishment of a tobacco monopoly, for the introduction of a beer tax, for a renewal of the war tax on capital and income and for several other minor measures.[2] It had failed however to overcome the strenuous opposition which each of these proposals aroused in some particular quarter. The so-called federalist element[3] in the country objected to anything that would enrich the national government at the expense of the sorely impoverished cantons and municipalities. The liberals were opposed to any new state monopoly. The socialists would not hear of the beer tax.

Meanwhile the war was still raging. The mobilized army was costing over half a million a day. The cost of living was

[1] J. Landmann, *Préavis sur l'introduction d'un droit de timbre fédéral* (Berne, 1916); *Mess. du C. F. à l'Ass. féd. concernant la perception de droits de timbre, du 11 décembre 1916; Mess. du C. F. à l'Ass. féd. concernant la promulgation d'une loi fédérale sur les droits de timbre, du 16 mai 1917.* *F. F. S.* 1916, IV, 553; 1917, III, 61.

[2] E. Grossmann, "Les finances publiques de la Suisse de 1914 à 1920", *Rev. Sci. et Lég. fin.*, 1921, p. 477; Vertrauensmännerkonferenz für die eidg. Finanzreform, Oktober 1916 (manuscript minutes).

[3] It may surprise American readers that the states-rights party should be called federalist. It draws its name from its insistence on the character of Switzerland as a federal, as opposed to a unified state. Its adherents are to be found mainly in the Catholic and Latin cantons and minorities who look to the local administration to protect them against the possible tyranny of the Protestant Swiss-German majority in the federal state.

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beginning to rise appreciably and was obliging the local as well as the national government to increase the salaries and wages of their officials. Deficits and debt were growing and with them the restlessness of the people, particularly in the larger cities. Although work was plentiful and nominal earnings were rising, the public were becoming ever more impatient at the sight of the relatively few but extremely conspicuous fortunes which were being made and lavishly spent by profiteers, many of whom were strangers.

The socialist party believed the moment had come when it would be possible to enlist the general discontent in favor of some drastic measure. Encouraged also by the success of the first war tax, it initiated a movement in favor of a constitutional amendment giving the federal government the right to levy a permanent direct tax on the capital and earnings of individuals and corporations. On July 17, 1917, it had secured 116,185 signatures in support of this proposal, which was accordingly submitted to the federal legislature for discussion, before being presented to the people at the polls.

When compared with the later capital levy, which is the subject of this monograph, the former socialist proposal seems extremely moderate. It merely tended to give the federal government the right to levy an annual tax on individual fortunes of more than 20,000 francs, on individual incomes of more than 5000 francs and on corporations in such a manner and with such a rate of progression as might seem advisable to the legislature. The cantons were to assess the tax and to retain ten per cent of its yield.

On January 25, 1918, the Federal Council addressed a message to Congress strongly opposing the socialist initiative on constitutional, financial, economic and social grounds.[1] According to the returns of the 1915 war tax only 3.6 per cent of the stable population possessed a fortune of 20,000 francs and only 0.64 per cent enjoyed an earned income of 5000 francs. A tax payable by such a small proportion of the people was

[1] *Rapp. du C. F. à l'Ass. féd. concernant l'initiative populaire pour l'introduction de l'impôt fédéral direct, du 25 janvier 1918. F. F. S.* 1918, I, 203.

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therefore denounced by the federal government as "a class tax, contrary to democratic principles." [1]

The Council of States (federal Senate) after discussing the socialist bill on March 12, 1918, rejected it by a vote of 31 to 1.[2] The only member who spoke in its favor, H. Scherrer of St. Gall, was the only socialist in the Upper House and one of the most thoughtful and moderate leaders of his party. In the course of the debate he declared:

I am of the opinion—that is my *ceterum censeo*—that the old age pensions and invalidity insurance scheme for workingmen must come. I cannot believe that this great and difficult task will ever be accomplished by means of a direct tax and am convinced that only indirect taxes will serve the purpose. . . . Now I ask: shall all the sources of indirect taxation be exhausted in order to cover the cost of the mobilization and the current expenses, so that we shall then be forced into the quite impracticable road of seeking to finance the old age pensions and the invalidity insurance by means of direct taxes? The working population quite admits that it must itself be saddled with a heavy load in order to realize such a scheme. It is prepared to support the Confederation in the establishment of new indirect taxes to which it will have to contribute itself, if these taxes be employed to attain a great social end.[3]

In the National Council the socialist initiative gave rise to a debate in which no less than twenty-eight members took part. The government, represented by M. Motta, then minister of finance, strongly opposed the bill, declaring it to be a political more than a financial measure, "a weapon in the class war".[4] After four long sittings it was rejected by 138 votes against those of the socialist members and of a few extreme radicals, 21 in all.

On June 2, 1918, the people at the polls confirmed this decision by rejecting the bill by 325,814 nays against 276,735 ayes. Of the cantons 14½ voted against the measure, while 7½

[1] *Ibid.*, p. 14. "*Un impôt de classe contraire au sens démocratique.*"

[2] *Bulletin sténographique officiel, Conseil des États,* 1918, p. 27.

[3] *Ibid.*, p. 13.

[4] *Bull. stén. off., Conseil National,* 1918, p. 89.

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were in its favor. The majority included the French-speaking and Catholic cantons, whereas the principal Germanic cantons were among the minority.

Immediately after this referendum, which had rejected the socialist proposal, the government presented its own bill for "a renewed federal war tax"[1] This measure was drafted with a view both to fiscal and to political ends. It was to provide for a speedy repayment of the war debt and at the same time to refute the criticisms of the 276,735 citizens who had voted in favor of the socialist proposal and who since their defeat were naturally inclined to accuse the majority of having none but a negative policy.

The bill was based on the same principles as the first war tax of 1915, but the rate applied both to property and to earned income was slightly higher and more steeply progressive. Besides it was to be levied, not once only, but every three years until three-quarters of the mobilization costs had been paid off. It was hotly discussed in the latter half of September, 1918, by the National Council and finally carried in that branch of the legislature on October 2, 1918, by 98 votes against 43.[2] The minority was made up of the representatives of the extreme left and of the extreme right, who objected to it for precisely opposite motives.

Before this measure could be considered by the other House events occurred in Switzerland and in the rest of the world which upset all calculations.

Just before the signature of the armistice, in the first days of November, 1918, a general strike of a clearly revolutionary character broke out in Zurich and soon spread all over Switzerland. On November 10 the strike committee, composed of the leaders of the socialist party, demanded the immediate demobilization of the troops that had been raised to maintain order and the prompt compliance with a brief but very radical program of political and social reform. Among the nine de-

[1] *Mess. du C. F. à l'Ass. féd. concernant l'impôt fédéral de guerre renouvelé du 5 août 1918. F. F. S.* 1918, IV, 255.

[2] *Bull. sten. off., Conseil National,* 1918, p. 412.

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mands made, two of the most moderate concerned the establishment of an old-age pension and invalidity insurance scheme and the repayment of all public debts by the propertied classes.

The government in response mobilized more troops, but at the same time made some very significant statements as to its social and political policies. On November 12, 1918, Mr. Calonder, president of the Confederation, addressed Parliament on behalf of his unanimous colleagues of the government.[1] He explained the steps which had been taken to meet the situation and asked for legislative approval. Discussing one by one the socialist demands, he declared that the government was prepared to consider them sympathetically and particularly favored the speedy introduction of a plan of old-age pensions and invalidity insurance.[2] But, he added, nothing could be yielded to violence and all constitutional forms would have to be observed. Towards the end of his speech he declared:

> For Swiss democracy, it is a question of to be or not to be. . . . While we believe that the condition of the laboring classes should as far as is at all possible be improved step by step, we would emphasize that all reforms must naturally be realized on the basis of right and law and that the will of the whole people must be respected in conformity with our democratic constitutional and legal institutions. In our democracy the majority alone rules. The most thorough social reforms and changes can with us be accomplished without upsetting or impeding our national life. All social and political battles are to be fought with the sole weapon of the ballot. That is our pride and our strength.[3]

After this statement and a full discussion, the policy of the government was approved in both Houses by the representatives of all the non-socialist parties and sanctioned by a vote of 136 against 15 in the National Council and by a unanimous decision in the Council of States.[4] In the course of the debate the spokesmen of the parliamentary majority, while severely

[1] *Ibid.*, p. 413 *et seq.*

[2] *"Ganz besonders möchten wir heute hervorheben dass wir . . . die Alters- und Invalidenversicherung lebhaft befürworten."—ibid.*, p. 416.

[3] *Ibid.*, p. 417.

[4] *Ibid.*, p. 479; *Bull. sten. off., Conseil des États*, 1918, p. 157.

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rebuking the action of their socialist colleagues and congratulating the government on its firmness, all followed the example of the latter in more or less emphatically declaring themselves to be in favor of prompt social reforms. These declarations were not unreasonably accepted by the socialists as pledges for the future.

On November 14, 1918, President Calonder was able to announce in both Houses that, at two o'clock that morning the strike committee had informed him of their decision unconditionally to recall the strike. The menace of revolution had thus passed, but the political and social condition of the country was no longer the same.

The industrial proletariat on the other hand was more embittered than sobered by its defeat. The socialist leaders were fully determined not to lose the benefit of the verbal concessions which the government had made under the threat of violence. The agricultural population on the other hand, especially that of French Switzerland, from which the troops raised during the strike had mainly been drawn on account of their undoubted loyalty to the cause of order, were no less vindictive. They were rendered the more so by a severe epidemic of grippe which, raging during November, 1918, in Switzerland, had occasioned the loss of many lives, principally among the ranks of the mobilized regiments.

The prevailing opinion in political circles was that, although the attempted revolution had failed, far-reaching social reforms alone could check the spirit of violence. Confidence in democracy, which many Swiss workmen had obviously lost under the stress of war conditions, was to be restored by the demonstration of the efficacy of democratic methods in the field of social amelioration. There was general agreement to the effect that capital would have to make heavy financial sacrifices in order to assure the realization of the oft-promised but ever withheld social-insurance plans.

As the world war was over, one confidently expected that extraordinary expenditure would soon disappear and that the federal budget would regain at least some of its former elasticity. The pledges given in the Swiss parliament in November,

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1918, were inspired no less by an optimistic view of financial prospects than by fear of revolution. Although doubtless sincere, they nevertheless proved deceptive.

The financial situation of the Confederation, which had seriously deteriorated during the war, not only did not improve after its close, but continued to grow steadily graver.

The army, it is true, was rapidly demobilized, but a large part of the extraordinary expenditure which could thus be saved was absorbed by the consequences of the economic crisis which set in soon after the armistice. By the end of 1921, the complete war account, which had risen to 1221 millions at the end of 1918, had been reduced to 522 millions, thanks mainly to the yield of the war-profit tax. Other items of the extraordinary budget however had during the same period risen from 189 millions to 497 millions. This was due mainly to the losses incurred in the carrying-out of the federal food policy and latterly to the huge sums spent on unemployment doles.

Besides, the annual deficits of the ordinary budgets have since the war increased at a much more alarming rate than during the war, as the following table shows:

Year	*Deficits of the ordinary budgets (millions of francs)*
1914	22.5
1915	21.5
1916	16.6
1917	50.7
1918	61.9
1919	92.2
1920	93.4
1921	116.3
Total 1914-1918	173.2
Total 1919-1921	301.9
Annual average 1914-1918	34.6
Annual average 1919-1921	100.6

Two principal factors were responsible for this state of affairs. The first is the increase of the national debt and the consequent swelling of the sums annually absorbed by the interest and sinking-fund account, as is shown by the following table:

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Year	Federal debt (millions of francs)	Annual interest and amortization
1913	146.2	9.2
1918	1507.0	59.9
1919	1816.6	92.2
1920	1917.5	93.4
1921	2130.8	116.3

The other cause of the increasing annual deficits since the war has been the higher wages and salaries which the rise in the cost of living has obliged the federal government to grant its officials.

These unfortunate developments were naturally quite unforeseen in November, 1918, when the Federal Council announced its intention of hastening the realization of its program of social amelioration.

After the general strike its first financial effect was directed towards securing the final adoption of the renewed war-tax measure, the discussion of which had been interrupted in October, 1918. After several prolonged parliamentary debates the constitutional bill was voted by both Houses on February 13 and 14, 1919, by majorities of 81 to 10 and 27 to 2 respectively.[1]

In the course of the discussion several attempts were made to insert into the bill a clause to the effect that a fixed part of the proceeds of the tax should be earmarked for the financing of the social insurance scheme. These attempts were however successfully combated by the government and by the parliamentary majority.

The bill was finally submitted to the constitutional referendum on May 4, 1919, and adopted by 307,528 ayes against 165,119 nays, two French-speaking cantons alone rejecting the measure.

In its final form it provides that the extraordinary tax shall be levied every four, and not every three, years until the total mobilization costs, and not only three-quarters thereof, shall have been covered. Besides, the rate of the tax was still

[1] *Bull. stén. off., Conseil National,* 1919, pp. 25 *et seq.*, 213 *et seq.*, 246; *Conseil des États,* 1918, pp. 192 *et seq.*, 1919, 107 *et seq.*, 143.

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further increased in the course of the parliamentary debates. It is now fixed at a minimum of twenty per cent on earned incomes over 96,060 francs and of twenty-five per thousand on fortunes over 2,300,000 francs.

On the basis of the constitutional amendment thus adopted the government proposed and the two branches of the legislature finally agreed to a statute in which the above principles are applied.[1] The new extraordinary war tax, levied in 1922 for the first time, is expected to yield about forty millions annually and to remain in force for twelve years.

Besides this one great direct tax, several other fiscal measures of minor importance were adopted in the course of the last three years, such a tax on interest and dividends to be collected at the source, and increase of postal rates and of customs duties, notably on tobacco. The revenue derived from these sources, however, far from enabling the federal government to finance the social insurance scheme, has not even been sufficient, as we have seen, to stem the tide of increasing deficits.

Such a draft scheme was nevertheless presented by the Federal Council as early as June, 1919,[2] and was fully discussed in the National Council in September, 1920.[3] It was finally adopted there with some amendments, but as the majority, in spite of the opposition of the socialists, steadfastly adhered to the idea that the constitutional amendment authorizing the federal government to take legislative action in the sphere of old-age pensions should at the same time provide for the ways and means of meeting the expenses incurred, it has never passed the other House.

[1] *Mess. du C. F. à l'Ass. féd. concernant le nouvel impôt extraordinaire de guerre, du 2 août 1919. F. F. S.* 1919, IV, 355. *Bull. sten. off. 1920, Cons. Nat.*, pp. 4 *et seq.*, 139 *et seq.*, 379 *et seq.*, 585; *Cons. des É.*, pp. 125 *et seq.*, 182 *et seq.*, 312 *et seq.*

[2] *Mess. du C. F. à l'Ass. féd. concernant l'attribution à la Confédération du droit de légiférer en matière d'assurance-invalidité, vieillesse et survivants et la création des ressources nécessaires pour les assurances sociales, du 21 juin 1919.* Also *Mess. complémentaire . . . . du 14 juin 1920. F. F. S.* 1919, III, 1; 1920, III, 746.

[3] *Bull. sten. off. 1920, Cons. Nat.*, pp. 585-749.

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It is unnecessary for our purpose to go into the details of the debate in the National Council. A few extracts from some of the speeches delivered there may however usefully contribute to the fuller understanding of the political situation which the partisans of the capital levy sought to exploit in 1922.

On September 28, 1920, Mr. Kuntschen, a conservative member who introduced the bill in French, declared:

> Can we and shall we now oppose this great measure? No, gentlemen. In November, 1918, something like an undertaking was given. Promises were certainly made. The recollection of those days may have passed. But pledges have to be redeemed. Not to redeem them would be to go back on our word. That would not be Swiss.[1]

A little later, speaking on behalf of the government, Federal Councillor Schulthess said:

> One should not commit the error of believing that the laboring classes are to-day resigned to do without this social institution and to go about their work without a murmur. On the contrary they would be prepared to defend their demands to-morrow with exactly the same energy they have shown in the past. It is for us to act in due season and to grant what is right.[2]

In spite of such statements, which almost all the thirty-odd non-socialist orators who took part in the debate repeated in some form or another, at the beginning of their speeches, the financial obstacle was always in the way of any but very timid and procrastinating conclusions. This led National Councillor Schmid, a German-Swiss socialist, who was to take a leading part in the drafting of the capital-levy bill, bluntly to remark towards the end of the debate: "I have gained the impression that at bottom this whole discussion has no other aim but to conceal the embarrassment of the majority parties."[3] One of his French-Swiss colleagues, in a more jocular vein, expressed the same very natural and wide-spread feeling as follows:

[1] *Bull. sténo. off. 1920, Cons. Nat.*, p. 606.

[2] *Ibid.*, p. 677.

[3] *Ibid.*, p. 705.

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This has made me skeptical: we have a debt of two billions and the Confederation and the cantons need eighty millions annually to cover the expenses of the insurance scheme. I am convinced we shall make every effort to repay the financiers who have lent us the two billions, but at the same time we admit very openly that it will be impossible to find the eighty millions for the old laborers. Oh! I know that is not perhaps a very agreeable fact and it will doubtless be covered over by an avalanche of good and beautiful sentiments. We shall hear a number of representatives in this hall and elsewhere express their unshakable resolve to put through the insurance scheme. We have heard and we shall again hear the agrarians declare that this scheme should have been adopted long ago, but that now they will not be able to vote for it. We shall hear in turn the bankers, the merchants, the manufacturers, proclaim with an ardent conviction that they all believe that the old workmen should receive what they require, as that is most legitimately due to them. Finally we shall hear a harmonious concert of praise in honor of the old workmen and of their widows. . . . After this debate is over, two things will remain in the minds of the laborers: they will understand first that all kindly feelings are for them, and secondly that the money is for those who do not need insurance.[1]

The popularity of the insurance scheme, which most of the speakers praised in the most glowing terms and which none ventured openly to oppose, was clearly shown in this otherwise sterile debate. It was further made evident by the success of a constitutional initiative which had been launched in its favor in the spring of 1920 with the purpose of forcing the hand of Parliament. Although endorsed by nearly 80,000 signatures, mostly drawn from the industrial sections of Zurich and St. Gall, the initiative was opposed in both Houses and has not yet been submitted to the referendum.[2]

Summing up the facts recalled in this preliminary sketch, we may say that:

(1) The question of old-age pensions and invalidity insurance had been before public opinion in Switzerland for a whole

[1] *Ibid.*, p. 659.

[2] *Rapports du C. F. à l'Ass. féd. sur la demande d'initiative populaire concernant l'assurance-invalidité, vieillesse et survivants (Initiative Rothenberger) du 23 mars et 18 mai 1920. F. F. S.*, I, 685; III, 187.

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generation, and constructive legislation in this field had been urged with even greater insistence since the war.

(2) The state of the federal treasury which, in spite of unusual and heavy direct federal taxation, is sadly depleted as a result of the world war and of its economic consequences, has alone prevented the enactment of the considered measures.

Any attempt to understand and to interpret correctly the proposal for a capital levy which we are about to examine would be futile if one were to lose sight of these political and financial circumstances.[1]

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[1] The second and concluding part of this article will be published in the POLITICAL SCIENCE QUARTERLY for September, 1923.

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REVIEWS

Mr. Lloyd George: a Biographical and Critical Sketch. By E. T. Raymond. New York, George H. Doran Company, 1922. —366 pp.

To be a member of the British cabinet continuously for seventeen years in a democratic age when popular support is not only vitally necessary but notoriously fickle, requires extraordinary political talent. To occupy the most important ministerial posts of a major belligerent from the beginning to the end of the greatest war in history, and to retain the premiership four years thereafter, is a unique human achievement. Yet such is the record of David Lloyd George. It arouses the most natural curiosity about the man's life, policies and personality.

Much of our curiosity is pleasantly satisfied by Mr. Raymond, who leaves us, as a good biographer should, with mingled admiration for his subject and real admiration for himself. Mr. Raymond, the author of *Uncensored Celebrities,* belongs in general to the new school of witty and impressionistic character-portrayers; more genial and less subtle than Strachey, he is less colorful and more substantial than Guedalla; he paints neither miniature nor caricature. It is personality that preëminently interests and concerns Mr. Raymond. The author does not attempt to provide us with a mass of factual data, and he adds little or nothing to our current knowledge of the statesman's public and private life. The well-documented, detailed biography of Lloyd George is not yet written.

For his main purpose, however, Mr. Raymond's selection of biographical material is adequate and respectable. He exhibits the Welsh, middle-class background of the Lloyds and the Georges, and traces the career of the future war-premier from most unpromising beginnings in a monotonous section of smoke-infested Manchester, through a curious boyhood divided between the austerities of living with a strict Baptist uncle and the amenities of poaching on landlords and thumbing the nose at bishops, and through an arduous youth devoted to the reading of law, the making of stump speeches, and the acquisition of a wife, to an ambitious manhood dedicated to a quite incidental practice of law and to an ever-widening and most promising practice of politics. As champion of Welsh nationalism

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and foe of landlordism and episcopacy, David Lloyd George is discerned assuming the rôle of champion of the Boers and foe of imperialism. From pacifist and demagogue he becomes in his fierce opposition to Balfour's Education Act a militant among Nonconformists and a statesman among Liberals. Admitted to the cabinet in 1905 as President of the Board of Trade, he seems methodical and yielding, anything but radical, but his promotion to the Exchequer in 1908 is followed by the angriest partisan strife and the gravest constitutional crisis in the history of modern England. From the thick of domestic warfare this author of "the people's budget", this excoriator of dukes, this economizer on battleships, jumps into the thick of international war, planning campaigns, producing munitions, hobnobbing with aristocrats, disrupting his own political party, and pouring out money and blood like water. At the end the whole world is too small for the Welshman; with Tories the Radical social-reformer plays golf.

What manner of man was this seemingly inveterate chameleon? A man of Nonconformist background, possessed of devouring ambition and fond of the reality rather than the trappings of power, a man of great singleness of purpose in prosecuting the immediate business at hand, unmindful of consistency, disdainful of precedent, and none too scrupulous about method, a man whose vanity and wit and pluck combined with an eclectic emotionalism to produce a compelling politician—such, in brief, is the author's explanation of Mr. George. "His schemes and stratagems", says Mr. Raymond, "his waitings on events, the curvilinear character of his progress towards an appointed end were sometimes, as in the matter of unity of command [on the Western Front], justified by necessity. But it was not always so. More often they are to be explained by the simple fact that he is a democrat who sometimes has to trust the people, but would much rather not. . . . With much of the temper of an autocrat, and a strong relish ever for the ostentation of power, he united something of the caution of those French tyrants who, while decimating the nobility, were timorous of anything that hit the people. Often he might be described as a dictator who left necessity to dictate."

Another source of his political strength has been his emotionalism, which mingles so curiously with the trite common-sense of the middle-class man, and, although Mr. George's fervors cannot, any more than Mr. Job Trotter's tears, be always genuine, it should not be forgotten that even Mr. Trotter was capable of sincerity. Mr.

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George, moreover, has displayed repeated instances of real courage, notably during the Boer war, at the time of the Marconi scandal, and in critical periods of the Great War. He was never afraid of an open enemy. He was never afraid of the forces of use-and-wont. He might have occasional concern, but never fear, for the House of Commons. Yet he was sometimes sufficiently afraid of a clever individual, such as Sir Edward Carson, to placate him at a certain cost, and he was often sufficiently afraid of the people, as in the electoral campaign of 1918, to humor them to their own ultimate disadvantage. The statesman who was never known to blanch in face of military catastrophes, could be reduced to nervousness by a by-election, a speech of calculated malice, or a newspaper paragraph.

Mr. George's eloquence, his adroitness, his power of emotional appeal, his quickness of intuition, his immense self-confidence, and his wonderful vitality go far to explain his progress from an obscure position in Wales to the domination of British politics. But no one of these qualities, nor all combined, affords a clue to the fact that it was he, and no other, who could lead Britain in the crisis of the Great War. The truth would seem to be that a great extremity called into activity the ultimate Lloyd George which underlay the skilful politician, the idealist, the shrewd negotiator, and the amateur of sermons and golf. And this ultimate Lloyd George had just that touch of ruthlessness which made him a natural protagonist of a ruthless war. He was, in last analysis, a fighter who had no object but to win, who would refuse no weapon, decline no risk, scorn no help, cling to no tradition, value no friendship, in his determination to win. The War made Lloyd George great because it gave him much scope for action and very little occasion for thought. The Peace, in turn, belittled him and eventually caused his political effacement because it put too great a premium on sustained thinking. The one decisive flaw in Mr. George's political art was that he continued to beat the drum when the voters wanted "tranquility".

Mr. Raymond has written a book at once witty and informing. No student of twentieth-century British history can afford to neglect it, and there is little likelihood that later researches into the career of David Lloyd George will materially alter the clear, convincing features of Mr. Raymond's portrait. The book should have been more attractively printed and more carefully proof-read.

CARLTON J. H. HAYES

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The Story of Utopias. By LEWIS MUMFORD. New York, Boni and Liveright, 1922.—xii, 315 pp.

Mr. Mumford's book about utopias is extremely interesting, not only because it is written with singular charm, but because he has endeavored, with good success, to bring the classic utopian schemes into relation with the normal mental processes of men.

> Utopia has long been another name for the unreal and the impossible. We have set utopia over against the world. As a matter of fact, it is our utopias that make the world tolerable to us: the cities and mansions that people dream of are those in which they finally live. The more that men react upon their environment and make it over after a human pattern, the more continuously do they live in utopia; but when there is a breach between the world of affairs and the overworld of utopia, we become conscious of the part that the will-to-utopia has played in our lives, and we see our utopia as a separate reality. (p. 11)

In the world of ideas, utopia in the most general sense, the "overworld of utopia", Mr. Mumford means to include "all the philosophies, fantasies, rationalizations, projections, images, and opinions in terms of which people pattern their lives". The brute world of fact and affairs we find intolerable as mere reality; and so we try either to escape from it or to react upon it and make it less intolerable. Mr. Mumford therefore sharply distinguishes the utopia of escape from the utopia of reconstruction. In this last category he includes most of the classic literary utopias — those of Plato, Sir Thomas More, Bacon, Campanella, Cabet, Edward Bellamy, and many others. These he describes and analyzes, endeavoring to show us how they were conditioned by the circumstances of their times, and to point out what their merits and defects are for us. On the whole he thinks well of the older utopias, since they were concerned with essential values of life; whereas the modern utopias, growing out of a mechanical civilization, are of less value because they are more concerned with instruments than with values.

For the purpose of setting limits to his subject, the distinction between the utopia of escape and the utopia of reconstruction may be valid enough. But I wonder whether upon close analysis the distinction would not disappear? The imagined world of dreams, phantasies, theories, opinions in terms of which we pattern our lives is at once means of escape and means of reconstruction. When we are exhausted with the routine of life we go to a show or out into the

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woods, in either case largely to escape into an imaginary world; but when we are refreshed we come back to the business of making the factual world over in accordance with some or other ideal—such as that of the Rotary Club, the Social Settlement, the Labor Union, the Prohibition Enforcement Agent, the Jackstrapper, or the Y. M. C. A. Secretary. Some people live more in the utopia of escape, some more in the utopia of reconstruction; but with all of us the two utopias are closely interrelated. Mr. Mumford dismisses St. Augustine's *Civitas dei* and the whole Christian mythology of the middle ages as preeminently a utopia of escape. But it seems to me obvious that both St. Augustine and Plato were escaping from an intolerable world of reality, and both were at the same time suggesting a way of reconstruction. Plato escaped into the ideal and impossible utopia of the Republic, St. Augustine into the ideal and impossible utopia of the heavenly commonwealth. Probably Mr. Mumford finds the Republic more congenial.

But the last thing I wish to do is to quarrel with Mr. Mumford about his selection of utopias. What I wish he, or someone, would write, to accompany his story of consciously constructed utopias, is the story of those unconsciously constructed utopias in which large numbers of men have at different times taken refuge from a world which they found, or thought they found, intolerable. These utopias have had a greater influence upon the history of mankind than the others. In the eighteenth century, for example, the historically important utopia was not Louis Sebastien Mercier's *Memoirs of the Year 2500,* but rather that unconsciously constructed utopia called the "Enlightenment", fashioned in various beautiful designs out of an idealized conception of nature, man, and classical history. In this utopia lived Rousseau, Madame Roland, Raynall, Condorcet, Saint-Just, Robespierre, Samuel Adams, Patrick Henry, and thousands of others. It was so comfortable a refuge for them, and seemed to them so real, that they almost lost sight of the brute world of fact, and came to think that with a few minor changes in the latter the ideal world and the real world would become identical.

Of course this did not come about; and if these people had been conscious that they were living in utopia they would not have thought it possible to bring it about. A real utopia is in fact a contradiction in terms, except in the sense that utopia is the reality; for utopia can be realized actually only on the condition that everyone should be contented; the condition is that mystery and adventure and aspiration and hope should be banished from life; and how discon-

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tented every one would be in such a world. It was quite unnecessary for Plato to exclude poetry and the arts from his Republic; they would disappear of themselves in the unrelieved boredom of such an existence.

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A History of the United States Since the Civil War, in Five Volumes: Vol. II; 1868-1872. By ELLIS PAXON OBERHOLTZER. New York, The Macmillan Company, 1922.—xi, 649 pp.

When the first volume in this series appeared some three or four years ago, several of Mr. Oberholtzer's reviewers made bold to suggest to him that it would be wise to slight the purely political events of the reconstruction period and devote more attention to the social and economic phases of our national life during those years. This well-meant advice was given because of two considerations. In the first place, Mr. Rhodes and others had already said about all there is to say concerning the political events and it was not apparent to us that Mr. Oberholtzer had added anything of importance in his first volume to the older accounts. In the second place, Mr. Oberholtzer is at his best when he writes on social and economic affairs. But he has not seen fit to act upon his critics' advice, and after all no one has a right to complain at his determination to perform his task in his own way. Nevertheless, again his reviewers find it necessary to point out that it is the social and economic sections of his books that save them from utter futility. On this basis one may predict that the same factors will redeem the three remaining volumes.

At the rate of progress thus far made, the conclusion of Mr. Oberholtzer's fifth volume will find him discussing the Blaine-Cleveland campaign of 1884. In that campaign Mr. Oberholtzer's sympathies will undoubtedly be on the side of Cleveland. He doesn't like Blaine, as will appear from the following quotation concerning Blaine's moral obliquity for peddling the securities of the Little Rock and Fort Smith Railroads: "Blaine was using his high position as Speaker of the House of Representatives to sell the worthless bonds of a little 'stump-tail' railroad in a southern state, ... simply that he might pocket the commission from the promoters and increase his private income. That he escaped the reprobation that overtook others who blindly threaded their ways through this era of our history is one of the accidents of life" (p. 614).

Poor Blaine was always the pet aversion of the Mugwumps, and

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anyone who will take the trouble to read the six hundred odd pages that precede the foregoing quotation will be forced to the conclusion that Mr. Oberholtzer himself is a good deal of a Mugwump. What is a Mugwump? The best way to answer this question is to give a very brief prenatal synopsis of Mr. Oberholtzer's remaining three volumes.

The third volume will cover the election of 1872, the second administration of Grant, and will possibly conclude with an account of the disputed election of 1876. Mr. Oberholtzer will regret the blunders that wrecked the Liberal Republican movement that promised so much in the way of reform, but accomplished so little. He will take a certain sinister joy in recording the scandals of the second Grant administration. Grant will be praised for one act only—the veto of the so-called inflation bill of 1873. The expiring Republican Congress of 1875, after having been excoriated for so many misdeeds and shortcomings, will be praised at the last for its courage in providing for the resumption of specie payments on January 1, 1879, thus laying temporarily at least the ghost of inflation and giving a deserved rebuke to those who would perpetuate a system of "dishonest" money. If we may judge from a most unsympathetic review which Mr. Oberholtzer wrote of Solon J. Buck's *Agrarian Crusade,* those "wool-hat" boys who stood first for greenbacks and later for free silver, will receive short shrift from him. They will be labeled "cranks", "demagogues", "calamity-howlers", and will be remanded with pleasure to the obscurity from whence they came. Mr. Oberholtzer will acknowledge that the management of American railways in the seventies was not all that it might have been, but he will evince little sympathy with those Grangers who, out of the depths of their ignorance and prejudice, attempted to regulate the rates and fares of public utilities. In all probability he will regret the Supreme Court's decision in the case of *Munn v. Illinois,* but he will have the kindness to anticipate his story long enough to rejoice that in subsequent decisions the Court pretty effectually corrected the error which it made in the Granger cases.

In the fourth volume, the author having become mellowed with advancing years and for the nonce wearied with much muck-raking, will devote considerable space to singing the praise of President Hayes. For withdrawing the Federal troops from South Carolina and Louisiana and allowing the carpetbag régime to sink of its own weight of filth and corruption in those states, the virtuous president

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will be praised. For his honest efforts to forward the cause of civil service reform (the cardinal principle of the Mugwump) Hayes will receive further praise. The perpetrators of the Bland-Allison silver purchase act will be held up to scorn. On the other hand Hayes' veto of the original bill will receive its full meed of praise, even though the veto was ineffectual. Toward the end of the volume Rutherford Birchard Hayes will be bidden a fond and an affectionate farewell. The concluding chapter will deal with the campaign of 1880. Roscoe Conkling and the Stalwarts, for their brutal and brazen methods in trying to put the forces of Grantism back in the saddle, will be properly castigated. That they failed in their nefarious purpose will be a cause of great rejoicing. Still there will be a fly in the ointment, for the author will not find Garfield the rugged champion of reform that could have been wished for. He is too vacillating, too easily influenced by the wily Blaine, to be a perfect hero. But half a loaf is better than no bread, and Garfield will be accepted as a much lesser evil than Grant.

The fifth volume will open with an account of Garfield's struggles with Conkling and Platt. The author's sympathies will be with the president. Gladly will he record the well-merited rebuke administered to the two New York spoilsmen, which resulted in the permanent retirement of Conkling and the temporary set-back of Platt. In Garfield's martyrdom and heroic sufferings much will be forgiven him. For after all at heart he was a good man even if he did not always resist the evil influences that beset his pathway. Arthur, who has already received some unfavorable comment in the third volume, will now be given a speaking part on the stage. He will prove a grievous disappointment to the Stalwart spoilsmen and an agreeable surprise to the Mugwumps. "Gentleman" George Pendleton, who received much reprobation in the second volume on account of his greenback heresy, will be kindly dealt with now because of his good work in behalf of the Civil Service act of 1883. The former black sheep, Arthur, will also be praised for his sincere acceptance of the act and his honest efforts to give it a fair trial. For its failure to reduce the tariff in 1882 the Republican Congress will be berated. Its puerile efforts to deal with the growing surplus in the treasury will receive condemnation.

Then will come the campaign of 1884. In the first place, the perfidy of that grand old *bête noir* of all good Mugwumps, Ben Butler, will come in for one final, good, sound whacking. Blaine's past life will receive a final public exhibition, and for his wiliness

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he will be utterly condemned. And then will come the Mugwump Knight without blemish and without reproach (that is, politically; the facts of his personal life must be soft-pedaled)—Grover Cleveland. Champion of civil service reform, of tariff reform, of pension reform, of reform of the public land system, hard-working and of rugged honesty, straightforward in purpose, unterrified in his adherence to sound money, truly Cleveland is the *beau idéal* of the Mugwumps. This chapter should be called "The Triumph of Mugwumpery". It will furnish an excellent stopping place for Mr. Oberholtzer's *History of the United States Since the Civil War,* for since 1884 Mugwump principles have prevailed and (nearly) all has been well in the land.

BENJAMIN B. KENDRICK

Ten Years at the Court of St. James', 1895-1905. By BARON von ECKARDSTEIN. Translated and edited by Professor George Young. New York, E. P. Dutton and Company, 1922.—255 pp.

Early in the war a German publicist, disgusted by the failure of German diplomacy, suggested that in Germany's terms of peace, the Entente should be compelled to take over the conduct of German foreign policy. A better idea would have been to entrust that matter to the author of this book. If the name of Baron von Eckardstein has hitherto been almost unknown to historians and publicists, his autobiography reveals him as a diplomatist of great capacity who was charged with negotiations of the highest importance, which, had they been successful, might have changed the course of history; for they were concerned with nothing less than an alliance, some twenty years ago, between Great Britain and Germany. Something of this has been known for a long time, but only in the most general way, and there was no conception of the extent to which the negotiations went or of the possibilities involved in them. Eckardstein's book, which bristles with secret despatches, private letters, and confidential conversations, is a source of the utmost value for the study of pre-war history, comparable only to the Russian documents published by the Bolshevists or the great collection now issuing from the German foreign office. Apart from his main theme, Eckardstein states that the existence of the Russo-German "reinsurance treaty" of 1887 was revealed to Great Britain by General Ignatieff, who was not believed because of his reputation as a liar; that at the time of the Jameson raid and the Kruger telegram, Germany was prevented

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from sending troops into the Transvaal across Portuguese territory only by the energetic action of the Marquis de Soveral, then Portuguese foreign minister, and that France informed Great Britain of her intention to remain neutral in an Anglo-German war, if she did not join as the ally of England. The English version, which is a condensation of the original *Lebenserinnerungen und Politische Denkwürdigkeiten* (Leipzig, Paul List, 1919, 2 vols.), has been brilliantly translated by a former member of the British diplomatic service; it should become a classic, not only for the historian, but also for the student of diplomatic procedure.

Baron von Eckardstein, like his ill-fated colleague Prince Lichnowsky a Silesian, began his career as a soldier, but an exploit in drinking a number of Bavarian officers under the table was reported to Bismarck, who said: "He is over six feet, can drink without getting drunk, so we'll make a diplomat of him". The giant guardsman was sent to Washington and Madrid, and then, in 1891, to London. Here he remained till 1907, although he withdrew from active service in November, 1902; the trusted confidant of Holstein, the *éminence grise* of the Wilhelmstrasse, and of Count Hatzfeldt, the ambassador, he was, in 1899-1901, during the illness of the latter, in charge of the embassy, serving as a kind of mediator between London and Berlin in the furious controversies of the Boer war and at the same working mightily for an alliance. Married to an English lady, a prime favorite with Edward VII, on intimate terms with Chamberlain, Rhodes, the Duke of Devonshire, and the Rothschilds, Eckardstein was an angel of peace, and if at times he saw things almost more from the British than from the German point of view, his grasp of British policy made him understand all the more clearly the desirability, in the interests of his own country, of an Anglo-German alliance. It was assuredly no fault of his, or of the British Government, that such an alliance was not consummated.

As far back as 1875, Bismarck had made overtures for an alliance, and converted Beaconsfield to it just before the latter fell from power; again in 1889 he approached Lord Salisbury, without success. But in the 'nineties the tables were turned, and Great Britain became the suppliant. In 1895 Salisbury proposed to the Kaiser a partition of Turkey. (This version has been contested in England, where it is believed that it was the Kaiser who proposed partition; but Eckardstein tells the story in good faith). In 1898, when the Anglo-German convention for the disposition of the Portuguese colonies was signed, Chamberlain spoke of the desirability

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of a wider agreement. In November, 1899, when the Kaiser and Bülow visited England, Chamberlain made his famous Leicester speech advocating an alliance, which was accepted in principle by the visitors, but was delayed by the Boer war. Finally, in the spring of 1901, formal negotiations were got under way, and Eckardstein was so confident of success that he proposed the inclusion of Japan; it is surely an irony that the Anglo-Japanese alliance should have come into being, while the Anglo-German one could not be realized. In a last desperate effort, Chamberlain proposed, in October, 1901, an Anglo-German partition of Morocco with the object of heading off the French. Only when the utter impossibility of any agreement with Germany was made evident did Great Britain turn to France, and in April, 1902, Eckardstein overheard Chamberlain and the French ambassador discussing Morocco and Egypt.

Eckardstein offers three explanations for the German attitude. First, the waywardness of the Kaiser, who let himself be influenced by Anglophobe generals and admirals into trying to exploit England's difficulties during the Boer war, thereby creating a situation in which Eckardstein had to comport himself with great dexterity. Next, the insincerity of Bülow, which may be seen in his *Imperial Germany*. But above all, the slipperiness of Holstein, whose suspicious nature led him to regard Salisbury as partial to France, and who characterized as "naïve" Eckardstein's repeated warnings, received from Chamberlain himself, that if Germany did not accept the proffered alliance, Great Britain would come to terms with France and Russia. In other words, the German Government could not bring itself to choose between the bear and the whale, and persisted in trying to play off one against the other. As Eckardstein does not state very concisely the terms offered by Great Britain, it is hard to appraise the criticism of the Russophiles in Germany that Germany would have had all the fighting and Britain all the advantages; but he does speak of sundry conversations with Rhodes and Chamberlain about the partition of the world, "in which Germany was certainly given a very fair share". Later, when he informed August Bebel, the Socialist leader, of the scheme for the partition of Turkey, the latter was aghast that it had not been accepted.

It is noteworthy that the Kaiser was kept in the dark about the negotiations of 1901, apparently because of a letter to King Edward in which he spoke of British ministers as "unmitigated noodles"; nor did Chamberlain and his colleagues tell all their plans to Salis-

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bury, perhaps because they knew his distrust of the Kaiser. But it is perfectly plain that King Edward, Lord Lansdowne, and the whole British Government were animated by friendly feelings for Germany which could not be destroyed by the ravings of the German press during the Boer war or by the provocations of Tirpitz. Eckardstein's stories of the Kaiser's conduct in England show that his royal uncle had to put up with much in the interest of international harmony.

It is a pity, indeed in view of the dates used in the title it is inexcusable, that there were not included in the English version the pertinent sections of Eckardstein's short supplementary volume, *Die Isolierung Deutschlands* (Leipzig, Paul List, 1921), which contains much material of great value concerning the Moroccan crisis of 1905. Eckardstein, who had many friends in France, was used by Rouvier, the French premier, to carry proposals for a far-reaching Franco-German understanding, but Bülow would not consider them and refused to let Eckardstein see the Kaiser. According to Eckardstein, Holstein was trying to provoke France into war, which was prevented only by direct warnings to Berlin from London. It is no wonder that Eckardstein came to have no use for the "lesser livestock" of the "central cattle market", as he calls the gentlemen of the Wilhelmstrasse, borrowing the language of Prince Münster. Extremely interesting also is the account of an interview with Count von Moltke on June 1, 1914. When Eckardstein had represented to him the dangerous position of Germany and the possibility of war, the Chief of the Great General Staff replied: "If it does finally boil over, we are ready, and the sooner the better for us".

BERNADOTTE E. SCHMITT
WESTERN RESERVE UNIVERSITY

The Kaiser's Memoirs. By WILHELM II, Emperor of Germany, 1888-1918. English translation by Thomas R. Ybarra. New York, Harper and Brothers, 1922.—366 pp.

For thirty years the German Emperor was the central figure on the world stage. Master of the mightiest army in history and directing an economic effort which raised his people to an unparalleled height of wealth and prestige, breathing defiance or praising peace as the moment demanded, dismissing his ministers as easily as footmen and proclaiming his personal authority at every turn, William II seemed the very incarnation of imperial majesty and power. Conti-

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nents trembled at his frown, and a host of writers hailed the most brilliant ruler since Napoleon; in July, 1914, he was supposed to hold the fate of mankind in his hand.

Yet, as we read the *Memoirs* of this amazing man, we see that we were taken in by a shallow exuberance which passed for statesmanship. From his lonely exile the fallen monarch might have offered a reasoned and systematic defense both of his personal conduct and of German policy. What we are offered is a string of reminiscences, somewhat in the manner of a garrulous old man, of his relations with five of his chancellors, a list of "co-workers" and others who were favored with his friendship, some disquisitions on science, art and theology which fill more pages than are devoted to the outbreak of the war, and finally, three not uninteresting chapters on his abdication and its aftermath. Very thin milk it all is, the least satisfactory and the least convincing in the flood of books published by the great personalities of the time. Only a person persuaded that common mortals must give heed to any royal utterance can have supposed that he would do himself or his cause any good by this book; unless, indeed, he is laughing up his sleeve at having purveyed such stuff for a princely price! But William has unwittingly accomplished one thing: he has shown himself incapable of directing the German government, which was devised by Bismarck to require a strong leader, and obviated the danger of a "Kaiser legend" becoming a disturbing force in the future.

The cue of this last of the Hohenzollerns, the fervent champion of Divine Right, is to take refuge behind his responsible ministers! His argument that the constitution of the Empire made the chancellor responsible for the conduct of foreign affairs is sound enough, and if his version of what happened is correct, that the Kruger telegram was forced upon him by Hohenlohe (which is open to grave doubt) and that Bülow insisted on the speech at Tangier, then William has an alibi for two unfortunate incidents of his reign. But what a confession for the ruler who once wrote, "There is but one master in this country—it is I"! When he comes to Bethmann, whose policy of an understanding with England was an "aberration" and whose "ways and means" were "unsuitable", who "made mistake after mistake", it is contended that "only Bethmann had the confidence of the working classes"; but how could that unfortunate minister have succeeded when the Emperor, on his own showing, supported Tirpitz against Bethmann's policy of agreement on the naval issue? William is careful enough to claim the

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credit for such successes as the acquisition of Heligoland and Kiao-chow, and in general he expresses too frequently his satisfaction that he insisted on this or that being done for his pleading to be taken very seriously. His constant interference in the government was indeed notorious, and was often denounced; but he was not strong enough to dominate and control the situation, and was largely responsible for the "zig-zag course" which was Germany's undoing.

William sums up his career in the remark, "For thirty years the army was my pride, for it I lived". If he interested himself in railways and canals, it was because of their strategic value, and he "felt at home" among his soldiers, so that the end of the war found him, not at Berlin, where his government was being overthrown, but at the "front". He wished to lead "my brave Prussians, with whom I had stood before the enemy", against the revolution, but makes much of Hindenburg's advice that he should leave the country, and he refused to give himself up to the Allies, because "it was not for me to play the rôle of Vercingetorix". But the man who can write, "The German workers fought brilliantly in battle under my leadership", or "The achievements of the U-boats aroused the admiration of the world", will never understand why he was "overthrown by my own government".

The *Memoirs* contribute little to contemporary history. The account of Bismarck's dismissal, which is written with respect and moderation, emphasizes the disagreement over the social problem. His version of the negotiations for an Anglo-German alliance does not tally with the evidence of Dr. Otto Hammann, of the German foreign office, and Baron von Eckardstein. He praises the Treaty of Björkö as an embryonic League of Nations "which both the Allies (of Germany and Russia) as well as other nations should be at liberty to join", although the text of the treaty spoke only of France. About the war he has little to say, but his interview with the papal representative in 1917 and his attempt to reform the Prussian franchise are described rather differently by Bethmann-Hollweg. The Emperor as a historian is best judged by his reference to the famous Anglo-Franco-American treaty of 1897 discovered by Professor Usher.

No one will deny that the position in which Germany found herself was due in large measure, as William repeatedly complains, to incompetent diplomacy. But even today the illustrious victim cannot see that his impetuous and erratic personality had much to do with the "encirclement" which he ascribes to mere greed and

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jealousy. He has himself written the best explanation of the distrust which his intermittent fair words could not allay:

> Only one course lay open to Germany, the threat of deciding Germany's future by force of arms must be avoided until we had secured for ourselves such an economic, military, naval, and national-political position in the world as to make it seem advisable to our opponents to refrain from risking a decision and yield to us the share in the apportionment and management of the world to which our ability entitled us (p. 309).

In other words, the "mailed fist" was expected to be as effective in 1914 as it had been in 1905 and 1909 and 1912. One can concede the Emperor's argument that Germany wanted peace, and yet remember that it was peace at Germany's price.

The translation is generally well done, although there are several unintelligible passages; but if a second edition becomes necessary, William's title should be given as "German Emperor".

BERNADOTTE E. SCHMITT

WESTERN RESERVE UNIVERSITY

Recent Economic Developments in Russia. By K. LEITES. Oxford, Clarendon Press, 1922.—240 pp.

This volume by Mr. Leites, edited by the well-known Danish professor, Harold Westergaard, is a valuable contribution to recent Russian history. The economic situation in Russia, strange as it might seem, is least known to the outside world, as most of the investigators in studying Russia concentrated their attention on political events. And yet, the future of Russia seems to depend entirely on the development of her economic resources. The book is divided into three parts; the first deals with economic conditions prior to the Bolshevik revolution; the second is devoted to the analysis of the economic policy of the Bolsheviki; and the third gives us a picture of the economic situation in 1920. In this last respect we have one more proof of how very difficult it is to write about Russia at the present day on account of the rapid changes that take place in that poor and distracted country, for no sooner is a book out on sale, the printing ink having hardly had time to dry, when much of its material becomes already out of date. This decidedly applies to Leites' work, and the reader must keep in mind that since 1920 enormous changes have taken place in Russia.

The first part of the volume gives a fair picture of the financial

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conditions of Russia, of her foreign credit and of her industries just before and during the war, showing in particular how badly the war affected the latter. In discussing the food situation the author endeavors to show how the food shortage arose during the war and how the Tsar's government tried to cope with it; he gives us also a glimpse of the start in the disorganization of the transport system; that chapter is decidedly too short considering the importance of the question. Leites finally winds up this part of his volume by a description of the work of the cooperative societies; it is also much too short for the discussion of such an outstanding matter.

The exposition and interpretation of the economic policy of the Bolshevik government is more satisfactory, though here too the author seems to be mostly hampered by his desire to treat it as shortly as possible. In certain respects his analysis covers the same ground as the recent book of L. Pasvolsky, although the latter gives the reader a much more definite picture of what the Bolsheviki were doing in Russia. The plan of the narrative is the same as in Part I. First we find a description of the financial situation, most valuable because it is least known abroad. Then comes the analysis of the industrial situation and of the fate of the labor question; in both cases the story is interesting and instructive; and as in other parts of the book, the figures seem to be absolutely reliable. The agrarian situation is well described as it stood in 1919-1920, but one must remember that very much has changed in this respect at the present day. The breakdown of transportation and the development of food shortage in that period are treated only summarily.

In Part III the author describes the situation as it stood in 1920, keeping to the same general plan. He gives us only a few data concerning the financial situation. In the following chapter, on the contrary, he describes very well and in full detail the industrial situation of those days; and a sad picture of general decay does this narrative make. The author uses the figures and facts as given by the Bolsheviki themselves; for this reason he cannot be accused of partiality in handling his material. In 1920 the Bolshevik experiment in communism was at its very height and we can clearly see here how the system of nationalization did not work and how it began to disappoint the Bolshevik government. The next chapter is devoted to the fuel situation and is based mainly on a Bolshevik report presented to the Eighth Congress of the Soviets; it is most instructive and brings out many new facts, though in this field, as in so many others, much has changed since 1920. The following chap-

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ter deals again with transportation; it is better written and more complete than the corresponding chapters in the preceding parts. From this next chapter we can learn why dissatisfaction was steadily increasing among the laboring class, and the two following chapters give us a corresponding picture of the growing discontent among the rural classes, further increasing the food shortage that preceded and led to the famine of 1921. The last chapter is devoted to foreign trade and is the least satisfactory part of the volume. Foreign trade prospects of 1920 were very poor and hardly were able to allure foreign concessions. Most of the efforts of the Bolshevik representatives abroad remained futile and vain, but in reading the book of Leites one wishes to hear more about the reasons that led to this failure.

S. A. KORFF

WASHINGTON, D. C.

Russia After Four Years of Revolution. By S. S. MASLOFF. London, P. S. King and Son, 1923.—237 pp.

Der Neue Kurs in Russland. By Dr. W. HAHN and A. v. LILIENFELD-TOAL. Jena, Fisher, 1923.—108 pp.

The Russian Famines. A Report of the COMMISSION ON RUSSIAN RELIEF. New York, National Information Bureau, 1923.—40 pp.

These three very recent and interesting publications describe the economic situation in Russia. Masloff's pamphlet is an extensive survey of the latest developments; most of it was written in Russia before the author's escape. He is a well-known socialist writer, educated and fair-minded, making a great effort to remain impartial, notwithstanding his hatred of Bolshevism. It is really a terrible picture that he gives us in his thoughtful analysis. Masloff vividly describes the changes that have taken place in the population of central Russia, explaining the migrations and in particular the fate of the proletariat, "which has been ruined and dispersed in the name of Marx and his doctrine". He endeavors to interpret further the causes of deterioration of industry, substantiating his narrative by statistical data and comparing industry with agriculture; he also pays special attention to the failure of compulsory labor and to the growth of the new communist bureaucracy, developing traits of character far worse than the Tsar's officials ever possessed. "Dur-

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ing all the years of Soviet rule", the author tells us, "there has been only one class capable of bearing the burden of the Hate's expenditure, namely the peasants"; and it is toward this class that all eyes now turn. There is no doubt any more: it is the Russian peasant who has the fate of Russia in his hands. Masloff's chapter on the peasants is consequently the most valuable and interesting part of his book. The author firmly believes that the principles of private property have gained enormously in strength amongst the peasantry during the revolution. He cites many proofs for this assertion, but also states that the reason why there is no opposition on the part of the peasants to the Bolshevik government, notwithstanding their distrust and even hatred of this régime, is because the peasants have no political organization, neither have they any arms and ammunition.

Unfortunately the author's description of the Red Army is not convincing; we find no satisfactory answer to the all-important question: Will this army prove powerless to save the Communists from an eventual downfall, or will it be able to stand by them. Masloff concludes with an interesting survey of the fate and position of the Communist party; it is probably the only accurate account of this question that we have at the present day. Masloff is not hopelessly pessimistic, however; right through his narrative there goes a streak of optimism, shown, for instance, in his firm belief that "Russia's creative spirit has not perished in this catastrophe; it is alive and vigilant"; to substantiate this statement the author cites recent scientific and artistic works describing the life of the intelligentsia.

The pamphlet by the two German authors gives us a well-arranged and classified list of laws and decrees of the Soviet Republic, concerning the economic situation and the recent changes that have taken place on account of the recognized failure of Communism. The most interesting example in this respect can be found in the laws relating to banks and foreign concessions; the reader can easily see how far they are at present from communistic ideals.

Finally, in the Report of the Russian Relief Commission, composed of Messrs. Allen Wardwell, Graham R. Taylor and Allen T. Burns, we have a striking corroboration of the economic destruction that has taken place in Russia during these last years. The Commission was sent to Russia last year in order to ascertain the causes and factors contributing to the famines, as well as the real extent of the disaster. They tried to describe impartially (perhaps even *too*

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impartially) the economic conditions of Bolshevik Russia, the havoc played by the drought of 1921 and the American Relief work. It is a gruesome and appalling picture. In one respect only does the Report seem inadequate: the explanation of recent exports of Russian wheat are absolutely unacceptable; in this paragraph there is even a note of excuse, quite incomprehensible.

All the three pamphlets constitute very valuable sources of information.

S. A. KORFF

WASHINGTON, D. C.

Socialisation in Theory and Practice. By HEINRICH STRÖBEL. Translated by H. J. STENNING. London, P. S. King and Son, Ltd., 1922.—vi, 341 pp.

Le Bilan de l'étatisme. By ADOLPHE DELEMER. Paris, Payot et Cie., 1922.—385 pp.

Stroebel as the representative of the Independent Socialist Democratic Party was Minister of Finance in the Prussian Revolutionary Government of November, 1918. Subsequently he was alienated from the Independent Socialists by their fanaticism and their Bolshevist leanings. On the other hand, he condemned the Majority Socialists for their want of courage in proceeding with a socialist program. His book gives a *résumé* of the experience of Hungary and Russia with the socialization of industries, a review of the high debate among German thinkers up to the middle of 1921, with respect to motives and methods for socializing key industries, and closes with the author's ideas as to the "path to socialization". It is a valuable book, admirably translated.

The author is no advocate; he exhibits rather the temper of the man of science. In his hundred pages on the Bolshevist experiment he weighs coolly the evidence as to the upshot in Russia and concludes that it has been a ghastly failure.

> Machinery of transport pulled to pieces; its industry for the most part idle, and for the rest feebly vegetating; its broken fields, choked with weeds; its decimated and emaciated cattle; its deserted towns, its corrupt bureaucracy; its degenerated and embittered workers; its mutinous peasantry; in short, its utter devastation and desolation.

He shows that fear of the odious "dictatorship of the proletariat" has prevented Socialism from winning the German middle class as it should have done.

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On the other hand, Stroebel deplores the failure of the German republic to take over even such a clear case as the coal-mining industry. He follows the crest of the debates in the two German Socialization Commissions (1919 and 1920) and concludes that, as regards certain key industries, shareholder control has not a leg to stand on. His presentation of the ins and outs of the debates between the industrialists, the university economists and the trade-union leaders affords English readers their best look into such questions as "horizontal" *vs.* "vertical" socialization, the functions of shareholders, selection and advancement under capitalism, the traits of the manager type, manager motivation under capitalism and under socialism, the scope of personal initiative under the rival systems, whether bureaucratic methods are inseparable from socialized production, etc.

Stroebel concludes that "there is absolutely no means other than a reasonable and effective socialization policy to avert the downfall of Europe". That after four years Germany has not socialized one industry he attributes to "the psychological immaturity" of the German masses. Their leaders have not educated them to the idea of socializing industries. The best that has been written on the subject has come, not from the pens of the Socialist veterans, but from university scholars "to whom the Revolution first gave opportunity of bearing witness to socialism".

At the opposite pole stands Delemer's book which contains an elaborate preface by Professor Bardoux of *L'École des Sciences Politiques*. Delemer strikes a balance sheet for the various economic activities of the French State during the war, reaching the conclusion that they have not paid, and pleads for the restoration of "commercial liberty". He contends that the State's job is to *govern* but not to *produce*. *Politics* and *economics* are by nature altogether different. *"Étatisme"*, which mixes the two, tends to paralyze production and to corrupt the State in its proper field. He insists that political and administrative methods go ill with economic activity. The cost-accounting of the State enterprises is a farce. The driving force which actuates private undertakings—the hope of a profit—is wanting here. A few choice spirits unfitted for money-making by their absorption in intellectual pursuits become indignant when they see inferior men who have made money lord it over them. But they must curb their feelings in view of the lessons of experience.

Industrial prosperity is born of the marriage of thrift and creative energy. The capitalist, eager to make his savings fructify and

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the manager, inspired by creative ideas, are necessary to the existing régime of production. Without the stockholders, you get waste; without the creative manager, independent of favor or politics, you get stagnation. Government enterprises in the economic field lack the energy which the hope of making money inspires; no one is so keen about his success as is the stockholder in a private enterprise. Stockholders are concerned to cut down expenses, whereas politicians are concerned to raise them. The government enterprise is not run so much to show a profit as to help politicians to win votes. The chief rarely puts his heart into his job and hence the morale of the working force is low. Its controlling job is to *put in time*.

M. Delemer wants the Government to quit trying to produce economic values and to confine itself to creating security, providing services of general interest and regulating private industry and trade whenever this is necessary in the public interest. If, however, the French State is to continue with mines, railroads, telegraphs, telephones and porcelain manufacture, let these enterprises be "industrialized", i. e., let each be charged interest on the public capital it uses, submit to modern cost-accounting and borrow money on its own security.

The author is not an old *laissez-faire* man come to life. He has a social point of view. He defends private enterprise not on individualistic grounds but on social welfare grounds. His chief lack is psychology. To him wages are just the price of labor; how they are figured and paid makes little difference. Profit-sharing he jeers at. He is blind to what lies back of the workers' demand for a voice in the governance of industry. His taking it for self-evident that until the crack of doom shareholders must always govern industry is rather naïve. Comparison of Delemer with Stroebel makes apparent how much less advanced is the debate over socialization with the French than with the Germans.

EDWARD ALSWORTH ROSS

UNIVERSITY OF WISCONSIN

Sir Douglas Haig's Command, 1914-1918. By G. A. B. DEWAR, assisted by Lieut. Col. J. H. BORASTON. New York, Houghton Mifflin Co., 1923.—2 vols.

In all the vast and ever-increasing library of war books there is no class more difficult to appraise accurately than that composed of the controversial volumes, the work of commanders or of their champions, designed to elevate the personal service of an individual

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general and to confute and confound the critics of that service. If we have so far been fortunate enough to escape such volumes dealing with the American share in the World War, France, Germany and Britain have been deluged with them.

For the general reader these works have a manifest danger. They are, in a sense, history. In the midst of their pages hitherto secret and even sacred circumstances are produced to prove or disprove common beliefs, but between the revelations come other pages filled with assertions, inferences, intimations undocumented and in many cases unwarranted. Thus, if the student of the war cannot afford to neglect many of these books, he has always to be on his guard against mistaking for evidence what is only assertion.

Practically without exception, too, these volumes of special pleading have the same inherent vice. Designed to raise some figure in popular estimation, they undertake to realize their objective by the destruction of reputations already established. All things considered, there is nothing more damaging to the respect in which men would like to hold their leaders in a great conflict than the things these same leaders write and say about each other and the things their interested friends write and say for them.

The two volumes which Mr. Dewar and Colonel Boraston have devoted to the discussion of Sir Douglas Haig's Command are a melancholy example of precisely this weakness. That Haig was badly used by the Lloyd George Cabinet and by the Prime Minister himself is almost beyond debate. Not all the vehement and violent criticism of Peter E. Wright in his book setting forth the Georgian view has served to dissipate this conviction. In all the controversy which raged and still rages between the British High Command and the British Prime Minister over the responsibility for the crushing British defeat of March, 1918, the advantage lies markedly with Haig and his subordinates. No one has ever successfully answered the temperate and convincing statements of General Maurice, who sacrificed his military career to establish the truth.

To argue, as the champions of George do, that his course in withholding the necessary reserves from France, because Haig and Robertson had by their campaigns at the Somme in 1916 and in Flanders in 1917 shaken the confidence of the civil government in their ability, is merely to repeat the weak defense urged by Painlevé and his champions for the course of the French Premier in respect of Nivelle. Certainly in both cases there was a reason for doubting the general, but the remedy was to remove him, not to retain him and at the same time cripple him.

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You cannot read any veracious record of the relations between the British Commander-in-Chief and the British Premier without feeling that Haig was, throughout, treated very meanly. When, at last the Allies had in 1918 regained the initiative, when Mangin with the Americans had won the Second Marne and Haig had scored his amazing triumph of August 8, Ludendorff's "black day", not only was George giving all the praise to Foch publicly, but he was privately indulging in an intrigue which is almost incredible.

Nothing in Haig's career is finer than his decision at this moment, when Foch had finally mounted the supreme offensive, which was to break the Hindenburg Line, the decision to disregard George's private hint that if the attack cost large casualties and failed, Haig would have to bear the full responsibility alone. Haig put the dishonoring communication in his pocket, shouldered the responsibilities and a few days later won one of the finest victories in the whole history of the British army.

The authors of the present volume are on firm ground, too, when they argue that the British Prime Minister misunderstood the Battle of the Somme in 1916 and was accordingly unjust to Haig. We have Ludendorff's sweeping admission that the strain this battle put upon the Germans was almost intolerable. But for the Russian collapse it might have proven as decisive as Grant's 1864 campaign from the Rapidan to Petersburg, which was equally severely criticized at the time for its similar cost in casualties.

The claim for Haig's performance in Flanders the following year is less substantial, yet it is true that he was forced to fight to take the strain off the French army, which, as a consequence of the Nivelle fiasco and the repulse on the Aisne had reached low-water mark in morale and was unable to make any major effort. Still it is the judgment of most competent military authorities that the Flanders Offensive was badly conducted, that Gough should have been removed for his failure and that such credit as is to be found belongs to Plumer, who restored the situation and found an answer to the German tactics of the moment.

But, as I have said, the trouble with the task of the champions of any military commander lies in the fact that in order to establish their own here, they find themselves condemned first to prepare the way by eliminating the reputations which stand in the way. And what the authors of the present volume have undertaken to do, is not merely to prove that Haig was underestimated by Lloyd George and on the whole unfairly appraised by contemporary war writers,

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but also to demonstrate that he was after all the one great commander of the struggle—in a word, to establish his claim to having, in the cant phrase, "won the war".

To do this it is necessary, obviously, to dislodge Foch, and to dispose of Foch it is essential to insist that upon all occasions the real credit for each decision, the inspiration for each successful stroke came, in the first instance, not from Foch but from Haig. You have to prove that Foch was always making mistaken plans and that Haig was always intervening at the critical moment to save the situation. You have, in a word, to write a new history of the decisive days of the war, and above all you have at all times to write down Foch, in order to write up Haig.

But is it possible now, long after the event, to dramatize Haig as the supreme commander of the world's greatest war? Certainly in the days and years of the struggle he left no such impression upon the men or upon the records of the time. As a corps commander, as an army commander, finally as commander-in-chief of the British army, he was at all times a hard fighter. He made difficult decisions with unmistakable courage, notably in September, 1918, as I have indicated. But upon all who met him, upon his soldiers and upon his subordinates, he made little impression. There is no Haig legend comparable with that which centers about Joffre or Foch.

Those who talked with him found him inarticulate, slow, unmistakably heavy. He was patently an English or, if you please, a Scottish gentleman in the highest sense of the word. The French admired him without measure because as an ally he was loyal, to be trusted on all occasions. But as a soldier, on the technical and professional side, neither the French nor the Germans, not even the Americans, for that matter, ranked him high. Plumer, who led the Second British Army about Ypres, commands far more admiration among most professional soldiers.

If only the authors of the present volume, in the midst of their eagerness to obtain justice for their own hero, had found time for a single generous word for anybody else, if in claiming so much they had been prepared to concede ever so little, it would have been easier to accept some of their conclusions and less difficult to escape a sense of weariness and perhaps a little resentment at their tone. But no, even the familiar suggestion, Joffre's I believe in the first instance, that Napoleon would have found a way to solve the riddle of trench warfare, since it seems to imply a reflection upon the omniscience of the British Commander in Chief, provokes the scornful remark that even the Napoleonic legend is perhaps overworked.

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In sum, these volumes are rather a contribution to controversy than to history, although the controversies dealt with are themselves becoming a part of history. They are throughout special pleading, seldom to be cited as authority, rarely to be accepted without independent confirmation, but important as the prejudiced statement on one side of a case which has been stated with at least equal prejudice on the other.

FRANK H. SIMONDS

WASHINGTON, D. C.

Americans by Choice. By JOHN P. GAVIT. Americanization Studies. New York, Harper and Brothers, 1922.—xxiv, 448 pp.

Mr. Gavit has given the country the first thorough analysis of the process by which immigrants become American citizens and of the effect of immigrants upon American political life. His relentless analysis of the weaknesses of American naturalization procedure and his constructive suggestions for the improvement of the naturalization process should be read by every public official, administrative, judicial and educational, who participates in the naturalization of immigrants.

The discussion opens with a description of the legal position of an immigrant seeking American citizenship, and of the relative responsibility of immigrants and of Americans for the influence of immigrants in American politics. An illuminating chapter compares the legal principles of citizenship in the United States and in the European countries, with special attention to the laws of naturalization.

Six chapters present the development of the American naturalization laws and their practical operation. The author forcefully depicts the absolute folly of some of the naturalization regulations, such as the provision requiring an alien's petition for naturalization to be "accompanied by the affidavits of precisely two witnesses who must accompany him personally when he files his petition and must accompany him again, ninety days or more later, when his case comes before the court for hearing. *Two, only two, and the same two*".

The petitioner for naturalization "may not prove his eligibility as he would prove any other set of facts in court by such an exhibit of evidence as would satisfy a reasonable judge or jury". More than one-fourth of the persons denied naturalization are denied because of technical violations of this procedure.

The chapters dealing with the naturalization laws include an

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analysis of twenty-six thousand petitions for naturalization and of the opinions of four hundred and twenty-three judges of naturalization courts with respect to the procedure. An uncompromising but fair criticism of the shortcomings of the United States naturalization service and of the courts reveals both the strong and the weak points of our procedure.

The chapter upon "Citizenship via Military Service" is particularly interesting, showing as it does the departure of the country from its recognized standards of naturalization during the war period. At the time when the standards of citizenship would presumably be maintained at their highest levels, our national policy seems to have moved in exactly the opposite direction.

In the later chapters, definite light is thrown upon two questions much discussed in recent years: the effect of the foreign-born voter upon American political conditions, and the participation of the foreign-born in radical movements. The central thought of the book is: "that active membership in our political society should be based upon the personal qualifications of the individual" instead of upon compliance with technicalities and red tape which in many cases are of no significance in testing the desirability of an alien for American citizenship.

DON D. LESCOHIER

UNIVERSITY OF WISCONSIN

British History in the Nineteenth Century (1782-1901). By GEORGE MACAULAY TREVELYAN. London, Longmans, Green and Company, 1922.—xvi, 445 pp.

This may fairly be called a masterpiece. No other writer in the field possesses at once such control of the materials, such breadth of vision and such power of synthesis. The theme is complex, its unity difficult to maintain; for it includes not only Great Britain, but the outlying portions of the Empire; not only political development, but economic and social as well. Mr. Trevelyan has succeeded in checking, so far as it can be possible to do so, the tendency of such a narrative to fall apart in a chaos of independent parts. "I have tried to give the sense of continuous growth," he says, "to show how economic led to social, and social to political change, how the political events reacted on the economic and social, and how new thoughts and new ideals accompanied or directed the whole complicated process." He gives something quite different from the old-line chronicle of political and military conflicts.

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It has been possible to tell the story of these one hundred and twenty years within the compass of a small volume only by the rigid exclusion of detail. Yet so skilfully have the dates and events been selected, always with attention to their significance in the shaping of large movements, that no obscurity results. Mr. Trevelyan is master of a compact, though graceful and easy, style which resembles that of the late Goldwin Smith. He has the capacity to characterize, in a sentence or even a phrase, a personality or a period; and these flashes of insight impress themselves on the mind of the reader. Perhaps not all his verdicts will meet with general acceptance. Doubtless Burke was "the most gorgeously eloquent of philosopher statesmen", but, in view of his vagaries—his implacable pursuit of Warren Hastings, his wild indictment of the French Revolution, his hostility to the reform of Parliament, and his narrow partisanship in the Regency question—was he in the true sense "the greatest publicist, with the possible exception of Cicero, of all ages and all lands"? Nevertheless, when Mr. Trevelyan praises, he does not forget to blame. Burke's weaknesses are by no means disguised or palliated; and, while giving prominence to William Wilberforce and the anti-slavery agitation, he does not overlook the fact that when it came to the question of wage-slaves at home Wilberforce exerted himself to suppress trade unions.

On one point at least Mr. Trevelyan is open to criticism. In *The Expansion of England* Sir John Seeley expressed the opinion that the interest of English history ought "to deepen steadily to the close". The popular histories, he complained, had no distinct end, but left off "in such a gradual manner, growing feebler and feebler, duller and duller, towards the close", that England seemed for a century or two to have been dying of old age. Now Mr. Trevelyn is never feeble and never dull, but in this volume it can scarcely be said that interest steadily deepens to the close. The narrative becomes attenuated. The first twenty years occupy about one hundred pages; the last twenty years, forty pages. Social and economic changes taking place towards the end of the century receive less attention than they deserve and are not presented in such a way as to suggest deep import for the future. On the plea that our own times are too close to be seen in perspective, they are left out. Their approach is not even heralded. The stream, as Seeley expressed it, evaporates in a sandy desert. Mr. Trevelyan begins the nineteenth century in 1782 so as "to give a sketch of the quiet old England of the eighteenth century before machines destroyed it, and the political

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scene before the French Revolution came to disturb it". The sketch is admirably executed; but it seems to have left too little paper for the still more important sketch of the new forces which have so rudely shaken prosperous capitalism, aristocratic politics, and the old Imperial relationships. Although the brilliant opening chapters could ill be spared, Mr. Trevelyan would have been forgiven had he started the nineteenth century fifty years later and lavished upon the concluding chapters the same splendid gifts. After all, for the British Empire, does not 1832 mark the opening of a new era? In Great Britain the Industrial Revolution is fully established, Parliament has been reformed; and at about the same time come the rebellions in Canada, the beginning of the great trek in South Africa, the founding of the New Zealand Association, and the extinction of trade monopoly in India.

E. M. SAIT

UNIVERSITY OF CALIFORNIA
BERKELEY, CAL.

Cooperation at Home and Abroad. By C. R. FAY. London, P. S. King and Son, 1922.—xvi, 447 pp.

Because it is useful, if not indispensable, as a comprehensive survey of a very important subject, the revised edition of Fay's *Cooperation at Home and Abroad* will be of interest to a large circle of readers. As first published in 1908, the work rested on data most of which was of the year 1907, and some less recent; in the new edition, the author has endeavored to bring the story up to date by covering some of the significant developments since 1907.

Mr. Fay approaches the subject from the standpoint of the producer, treating first the cooperative credit society, which is of two kinds—the town-credit bank, predominantly an association of industrial producers, and the rural credit bank, an association of agricultural producers. The cooperative agricultural society follows next, as he considers it "structurally similar to and in most cases intimately connected with the cooperative credit society." In the industries progressing toward large-scale organization, which are predominantly machine industries, Mr. Fay finds no place for cooperation. Rather than an industrial society, which he thinks one might expect to parallel the agricultural, the workers' society occurs, and unlike the agricultural society in which the members are independent producers, the workers here surrender their independence for copartnership in a common concern. In his mind, the province

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of the workers' society is limited only because it is so difficult to blend the function of wage-earner with the function of an industrial superior which the members of the society assume and which is the key-note of their cooperation.

From the standpoint of the consumer he studies the cooperative store, the oldest and predominating form of cooperation. Regarding the cooperative store as a distributive unit, he finds "within its reach the main economies possible in this branch of business," and in its existence a "reflex of the introduction into industry of large-scale organizations." He finds no tendency toward cooperation among small retail shop-keepers as a retaliative measure against either the "*grand magasin*" or the cooperative store, which he considers just as antagonistic.

As to the bearing of cooperation upon the competitive system and upon socialism, Fay finds that it is fully within or rather complementary to the competitive system, although of all the forms obtaining, the cooperative store acts most restrictively upon the competitive system. Unlike Kirkup, who commends the cooperative movement in his *An Enquiry into Socialism* as a step in the "solid tendency towards a new social order," Fay does not consider it as a herald of socialism, although the cooperative store in organization conforms faithfully to the socialist conception of industrial structure.

The supplement, the distinctive characteristic of the new edition, dealing with cooperation in agriculture, copartnership in industry and cooperative stores, is a brief summary of the tendencies in those fields with reference to England, Scotland and Ireland for the period 1908 to 1918. Briefly, he concludes with reference to Ireland that credit societies are not advancing; creameries are spreading rapidly and are by far the most important group of cooperative societies; agricultural societies are extending their functions and numbers. In England, credit societies have experienced a severe decline, as in Ireland; supply societies are increasing, as are dairy societies, small holdings and allotment societies, the auction mart and produce societies, slaughter houses, fruit and market-garden produce societies. In Scotland he sees a general growth in all but credit societies, but offers no specific data relative to each type of society. The decrease of the credit societies is explained on the ground of an increased use of the joint-stock banks.

As to copartnership, he finds that although the number of the societies has declined—59 in 1918 as compared to 108 in 1903—the total capital, trade, profit and dividends on wages have increased.

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Similarly, the number of cooperative stores has declined, but the total membership, share and loan capital, sales, profit and surplus have increased appreciably.

Mr. Fay felt it unnecessary to discuss cooperation in Scandinavia, Holland and Austria as the systems found there are similar to those in the countries treated at length. It is to be regretted, however, that he does not give any space to cooperation in the United States or Canada. He also purposely excludes building societies, friendly societies, and cooperative insurance societies.

The value of the new edition is seriously impaired, due to the fact that, with the exception of the supplement, most of the information rests upon 1907 data; indeed, some of the material is much older. As a result, the criticisms directed against the 1908 edition by Dr. J. E. Pope are equally applicable, unfortunately, to this edition. He objected that one line is not enough for Danish Kontrol societies, that the treatment of the German *Kornhäuser* and French syndicates was inadequate, that Fay is in error as to the number of cooperative creameries in Normandy and that he is unfair in his statement that Danish cooperators have flourished at the expense of the taxpayers, as it is the true policy of the government not to make large profits.

WALTER E. SPAHR

COLUMBIA UNIVERSITY

Banking Principles and Practice. By R. B. WESTERFIELD. New York, The Ronald Press Company, 1921. — 5 vols., xxxii, 1370 pp.

This is an imposing discussion of American banking written in the main from the point of view of the "insider" who is endeavoring to set forth how the whole machine operates, rather than from that of the observer who views banking in perspective and who is endeavoring to interpret it as an integral part of the system of wealth-production. This viewpoint also accounts for the great length of the work. Exposition, to be satisfactory, must be complete, and, in a subject like banking, this implies a great wealth of detail.

The division of the work into five volumes doubtless rested on considerations of physical convenience. The volumes hardly represent self-contained wholes. They are structurally definite parts of a larger unity. This is attested by the fact that the pagination is continuous.

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The work as a whole comprises three general divisions. Volume I covers the elements of money, credit and banking, Volume II discusses the banking system of the United States, while the remaining volumes (III to V) deal with practical banking operations. The material in Volume I is intended as a groundwork for the remainder of the discussion. While it embraces much valuable material, the presentation is under selected heads which taken together hardly constitute an adequate interpretation of the fundamental principles of money and banking. Volume II which describes our present banking system starts at the top, with the Federal Reserve System. Here too one misses the attempt to present the banking system as a living, breathing whole. There is nothing wanting so far as completeness is concerned, but the reader is left with the impression that each chapter is almost an independent essay. The last three volumes cover ground that has latterly been pretty well cultivated, namely, the actual organization and practical operation of a large, modern commercial bank. Langston's book on *Practical Bank Operation,* also published by the Ronald Press, gives somewhat the same material, although it is plain that Professor Westerfield's exposition is based on searching individual study. Indeed one is impressed by the labor and patience that Professor Westerfield's book represents. While the work does not concern itself with the philosophical aspects of money and banking, it is a fine reference book on our own money and banking system. It has, moreover, been mechanically well constructed for reference purposes. There is an excellent table of contents, and, besides a special index for each volume, there is a general index covering the work as a whole. In paper, printing and binding the five volumes also constitute fine examples of serviceable bookmaking.

E. E. AGGER

COLUMBIA UNIVERSITY

Colonial Tariff Policies. U. S. TARIFF COMMISSION, Washington, D. C., Government Printing Office, 1922.—869 pp.

The character of this report is alone sufficient to justify the creation of the Tariff Commission. This body, with the aid of an able group of experts, has here undertaken a systematic study of the fiscal systems of the several colonial powers. The Congress will no longer be under the necessity of proceeding more or less blindly in formulating the tariffs of our territories and dependencies, since both the political experience and the statistical data of other nations are now placed at their disposal.

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This is indeed a most serviceable work of reference, by all odds the ablest and most comprehensive study that has yet appeared in this particular field. It is more than a careful collection of comparative tariff schedules; it serves, in addition, as an excellent compendium of the principles and practices of the colonial policies of the chief imperial states. In short, this study should prove of almost equal value to the historian, the economist and the student of comparative government.

There are some manifest defects, however, in the method of treatment. The authors have attempted to turn out a document which would appeal both to the general public and to tariff draftsmen; but the combination of these two objects has not worked out entirely successfully. There is, as might have been expected, a distinct lack of unity and proportion in the handling of the varied material. The authors have evidently been obliged to cut their pattern according to the cloth—in other words, to adapt their treatment to the somewhat miscellaneous data at their disposal. From the standpoint of the general reader, at least, this study would have been much more valuable if the detailed examination of the tariffs of the particular colonies had been reserved for separate consideration.

The first chapter, which serves the double purpose of an introduction and of a summary, contains the kernel of the whole study. In this difficult piece of analysis the authors have shown good judgment both in the selection and condensation of their material. Subsequent chapters treat in detail of the colonial tariff policies of Belgium, France, the Crown colonies of Great Britain, India, Italy and Japan, The Netherlands, Portugal, Spain and the United States. Throughout the study the authors have been exceedingly chary about expressing a judgment upon the political wisdom or economic expediency of the tariff policies of the several countries, though these are the very matters in which the public are most interested and upon which they most stand in need of expert advice. Fortunately, the authors have not confined themselves to open tariff discriminations only, but have dealt with the various subtler forms of preferences, such as favorable valuations, reduced shipping dues and special land and commercial concessions, by which governments sometimes attempt to promote national shipping and trade.

The last half-dozen chapters are devoted to the development of the preferential policy of Great Britain and the self-governing Dominions. In dealing with this subject, the writers have evidently felt on more certain ground and have accordingly seen fit to discuss

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some of the questions at issue with a larger degree of freedom and independent judgment. The preferential movement in Canada and Great Britain is treated with special discrimination and understanding. It is a pity, however, that the authors have not linked up the economic phase of the movement more closely with the larger political aspects of the problem of imperial federation, of which it is only a part, although a most important one.

The value of the study is considerably enhanced by a well-selected bibliography of the chief official documents and secondary authorities of the several states. The bibliography of the British Empire, strange to say, is much less complete and satisfactory than that of several of the less important colonial nations.

C. D. ALLIN

UNIVERSITY OF MINNESOTA

Wealth and Taxable Capacity. By Sir JOSIAH STAMP. London, P. S. King and Son, Ltd., 1922.—195 pp.

The increasing cost of government and the heavy burdens of taxation resulting from the war have very naturally focused the attention of economists all over the world upon the questions of taxable capacity, national wealth and national income. Exhaustive researches have been undertaken in the United States and in England, and the results of these studies are beginning to appear in book form. *Wealth and Taxable Capacity* contains the Newmarch lectures delivered at the University College in 1921. The author was formerly an official of the British Inland Revenue Department and is considered today one of the highest authorities on this subject in England. His long experience with the statistics of income and property make him especially well fitted to interpret them. He defines his task in these lectures as that of outlining "some of the elementary principles involved in the valuation of the National capital and income and the determination of their distribution and their relation to prices, taxation and public debt. . . . ."

After three preliminary chapters on The National Capital, The National Income, and The Distribution of Income and Capital, Dr. Stamp discusses the central problem of his book, the limits of taxable capacity. In the last two chapters he deals with The Effect of Changing Price Levels on Profits and Wages, and The Effect of Changing Price Levels on the Burden of the Public Debt.

Throughout the book the reader is cautioned against the improper interpretation of figures. The author's careful use of statistical

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measures should serve as an example to other writers who seek to substantiate their theories with figures. The data are approached in an abstract way with no preconceived notions as to what they do or do not show. The sources of the data are examined, the extent of their reliability determined and the uses to which they can properly be applied set forth, before any attempt is made to interpret what they really mean. The book is an effort to educate the public to a better understanding of the methods involved in the interpretation of statistical facts and the author takes a great deal of trouble to popularize the results of his very technical investigations. For example, he explains the National income as a national "heap" which "includes the boots and clothes that are made, the loaves that are baked, the sheep that are reared, the sermons that are preached, the songs that are sung, . . ." etc.

An interesting example of the practical value of Pareto's formula is given in the chapter on the distribution of capital and income. By comparing the distribution of the actual returns from the imposition of the super-tax in 1913 with the theoretical distribution according to the Pareto curve, Dr. Stamp was able to tell the Revenue Department "that they had missed over 1000 payers in the lowest class, £5,000 to £10,000". The interesting point about this incident is that the department got busy and succeeded in finding the forgetful taxpayers, making the facts conform to the theory.

Relative to the constancy of the distribution of income among classes, the author has examined the data "from 1842 till recent years . . . . and found no evidence of any permanent material shifting in the proportions". This is in agreement with Dr. Bowley's statement that "the constancy of so many of the proportions and ratios . . . . seems to point to a fixed system of causation and has the appearance of inevitableness". However a few pages later we read "that the ordinary person of to-day is four times as well off in real commodities as the person in the corresponding stage in the scale in the beginning of the 19th century. . . . . The bulk of this advance was secured in the first part of the century." It would be extremely interesting to see more of the details of this part of Dr. Stamp's researches.

The lectures close with two suggestions of means by which the State might extricate itself from its enormous debt burden. "It might pay us," the author says, "to sell life annuities on terms more favorable than precise actuarial prices. With the capital sum, debt would be immediately redeemed—the annuity payment would slightly

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exceed the old interest charge, but when it ceased, the debt and its interest would be gone for good, whereas, in the ordinary course, it still remains to be paid off, even forty years hence." The second suggestion seems a bit more practicable. It embodies the Rignono plan of death-duty taxation where the rates are progressively higher as the inheritance becomes more removed from the original saver. Large sums would be coming to the government by this means after some fifty or sixty years.

On the whole, we feel that the author has done a decidedly worthwhile piece of work in a field that is relatively untilled. Contrary to Dr. Stamp's opinion, the informal lecture style adds rather than detracts from the readability of the book. This should help in "popularizing" the methods necessary in the treatment of such a difficult subject.

D. H. DAVENPORT

COLUMBIA UNIVERSITY

Economic Development in Denmark Before and During the World War. By HARALD WESTERGAARD. Oxford University Press (for the Carnegie Endowment for International Peace, Division of Economics and History), 1922.—xii, 106 pp.

This monograph might better be entitled "An Economic and Sociological History of Denmark since the Eighteenth Century, with an Appendix on the World War", for only twenty-one pages are devoted to War and post-War developments.

The earlier portion of the treatise is an excellent and valuable discussion. The subject matter is well selected and carefully analyzed; statistical material is skilfully woven into the text; and the style is clear and interesting. There are instances of over-compression, but not many.

Professor Westergaard's narrative throws into relief many factors of importance to the student of social science. Notable among them is the way in which a strong tint of conservatism has operated consistently to render change gradual and reform peaceful. Another is the manner in which the relatively slow and incomplete industrialization of the country has enabled it to remain predominantly rural and also to adjust itself more completely to the vicissitudes of the modern factory system than many of its more "progressive" neighbors have found possible. A third factor is the influence which a widely diffused and long-established system of compulsory education has had upon the ability of the population effectively and

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intelligently to participate in the solution of their problems. Most interesting of all, however, is the building up, on a national scale and in a variety of interests, of what the writer happily calls "community in society". That is, most of the important economic and social activities — including dairying, bacon production, poultry-raising, sickness insurance, unemployment insurance, and labor arbitration—are conducted wholly or in part by voluntary cooperation. Furthermore, the cooperative agencies for conducting these enterprises are recognized by the state, and some—as in the case of the insurance societies—are generously aided and partly controlled by it.

As a result, a large number of enterprises have been socialized to a considerable extent, while the drawbacks of "expropriation", and collectivism have, except during the War, been obviated. Moreover, the spirit of individualism has been preserved in a remarkable degree. Finally collaboration between the state and the various voluntary associations has progressed to such a point that it constitutes at least a partial demonstration of the way in which the "functional democracy" advocated by recent political theorists might operate.

The discussion of War-time and post-War developments is neither so significant nor so finished as what goes before. There is a chronicle of food-control acts, raw material rationing, excess-profits taxes, and a wide extension of State interference in economic life generally, that varies little from what one finds in the belligerent countries. There are indications of an interesting post-War course of events, but the account of these is only fragmentary and is cut off abruptly in the early months of 1919. One hopes that the publishers may see their way to arranging for an expansion of this concluding portion in a new edition, thus permitting Professor Westergaard to round out a valuable contribution to an important subject.

NILES CARPENTER

HARVARD UNIVERSITY

Crime: Its Cause and Treatment. By CLARENCE DARROW. New York, Thomas Y. Crowell and Co., 1922.—x, 292 pp.

Mr. Darrow could probably write a book on any subject, provided that he were given a little spare time to consult what the professors call "secondary sources". As a matter of fact, on the subject of criminology he himself comes very near to being an original source of information. I mean that his experience as a lawyer in criminal trials gives him a vantage ground from which he is able to make a

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great number of significantly true observations regarding the penal law and its operations. He is impressed, as all students of the question must be, with the futility of the vengeful and punitive motives that too generally prevail in the treatment of offenders. The arbitrary character of penal codes; the unscientific and often corrupting aspect of court procedure; the folly of capital punishment, of "expert" testimony, of a mere increase in the number of criminal laws, and of old-fashioned notions of moral responsibility are all laid bare in choppy, sententious paragraphs such as a smart, busy lawyer of radical leanings should be expected to write in moments taken from his lunch hour or his sleep. He sees the criminal law, not as a divine revelation, but as a tradition that is badly adapted to scientific knowledge and to modern conditions. When one reflects that it took fifteen years of agitation to get the American Bar Association to appoint a committee on the revision of the criminal law, one realizes how valuable as a stalwart recruit to progressive ideas in this field is Mr. Darrow. His treatise will probably secure a wider circulation than a more scholarly one that presented similar ideas with less emotional interest. The classic work on the revision of the criminal law in accordance with modern knowledge and needs still remains to be written. Meanwhile, Mr. Darrow's book helps things along in the right direction. A few more such diatribes, and a few more surveys of actual criminal proceedings, such as we have in the Cleveland Crime Survey, may arouse even the leaders of the bar.

But the author is not content to limit his discussion to the legal aspects of the problem of crime. He plunges with a layman's confidence into a discussion of the psychology of crime. The pages are fairly littered with glands, reflexes, complexes, mechanism, and other terms familiar to us in the literature of the behaviorists. There appears to be a good deal of confusion, if not of inaccuracy, in his treatment of this sort of data. The fundamental viewpoint is sound, that crime has its genesis in both heredity and environment; but there is no careful analysis of the precise relationship between these two factors. The determinism is crude, showing no differences between human behavior problems and those of the lower animals.

Mr. Darrow's statement that "One thing only seems to be sure. Human nature does not change" (p. 224), ignores entirely the selective power of the environment to accentuate this or that trait in accordance with the survival needs of a particular environment or epoch. The author might better have left the doctrine of un-

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changeable human nature to the orthodox economists, whose dogmatism on this subject is somewhat losing its hold.

We read again, "A defective mechanism either inherited or acquired through imperfectly balanced glands will inevitably produce an imperfect mind and defective conduct. *This it is bound to do because the body is the mind*" (p. 175). This passage should make the psychiatrists wish that their subject were as inaccessible to laymen as the doctors have succeeded in making the traditional medicine. Whatever be the relationship between mind and body it is certainly part of elemental psychology that they are not identical. Moreover, whether any diseased condition of mind or of body will produce defective conduct depends upon the environment. Except in extreme cases there is nothing "inevitable" about the sequence at all.

We are informed that "One's character must be fixed before birth whether Nature marks it on the head or not" (p. 174). In view of Cooley's more scientific statement, this doctrine belongs with other discarded theories of the "born criminal".

Finally, after being thoroughly immersed in the deterministic conception of things, we are told in an amazing chapter on "Luck and Chance" that these "are the chief of all factors that really affect man." This is so because we live in a pluralistic universe. An infinite number of "mechanisms" clash in utter chaos, but there is no Mechanism. The implications here may or may not be respectable philosophy; they certainly have no bearing upon criminological theory. The most charitable thing one can say is that the practice of law prevents a man from speculating effectively in two fields that are somewhat remote from his daily job. If chance is the all-controlling factor, why complain? Why, forsooth, write books on behalf of a greater measure of justice and rationality in our dealings with criminals? The doctrine of social control, which Mr. Darrow is disposed to treat ironically, implies that many of the fortuitous elements in human experience so far as they involve disaster, such as disease, misfortune and crime, can be largely eliminated. The author, of course, knows this; and yet he reveals a strange sense of despair that is not in accord with the constructive parts of his book. Since he has carried the discussion into the realm of ultimates one is moved to reflect that social idealism, in which the book abounds, requires some sort of confidence in the general drift of things, call it religion or what you may.

It is probably an ill-reputed "academic mind" that causes one to wish for a bit more order in the discussion. The chapter headings

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make good jumping-off places, but give no indication as to where one will land. The scenery is always interesting, though one imagines with difficulty just how one has arrived. But I suppose that it is not just to require armchair philosophy to be sequential.

Altogether it is a remarkable book, aglow with sympathy for those who are driven hither and yon by forces which are apparently beyond their control. The radicals will take to it, of course; but in spite of its incidental vagaries it has a grip and "punch" that will appeal to conservative groups that maintain the balance of power in social life.

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BOOK NOTES

It is a difficult and important question that Mr. George Rothwell Brown adumbrates in *The Leadership of Congress* (Indianapolis, The Bobbs-Merrill Company, 1922; 311 pp.). The answer that he gives is not so clear or convincing as it might be, but his discussion of the problem is the most adequate that has yet appeared. Nearly half of Mr. Brown's volume might have been omitted without reducing its value. The early chapters attempt a history of congressional leadership and organization—a field which has been well-ploughed by many books on the speakership, congressional procedure, and congressional committees. The earth that Mr. Brown turns up is not new and his furrows are not regular. It is only when he comes to the period since the dethronement of the Speaker of the House of Representatives in 1910 that Mr. Brown has something worth saying. Leadership in the House is now shared by the rules committee, the steering committee, the chairmen of the most important legislative committees, and the committee on committees. When Mr. Wilson was at the zenith of his power there was little doubt as to where leadership was vested. There was no doubt either before 1910 when the decisions of the Republican speaker were canonical. Now the problem is more complicated and Mr. Brown's treatment of it, although inconclusive, is useful. He deals with the upper chamber also, and pauses to canonize it: "The Senate of the people which had debated and determined the question of the League of Nations had been as brilliant as any Senate in the annals of America. It was a time when the whole intellectual level of the country was on a very high plane, and when the United States Senate itself was inspired by the great outpouring of national expression which made the very laborer in the street an orator and statesman. The debates in the Senate in this period will bear comparison with those of the days of Clay, Calhoun, and Webster. One finds nothing in the great discussions over slavery and secession exceeding in power and majesty the debates of the Senate at the close of the war" (p. 282). Mr. Brown, who is a political writer on the Washington *Post,* should have asked a copy-reader with a sense of humor to eliminate purple patches like this, to give more of his sentences terminal facilities, and to blue-pencil some of the *clichés.* Conflicts, for example, are always "mighty", interests are "great", influences are "psycho-

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logical", and senators are "ambassadors of sovereign states". Almost without exception members of Congress are "gifted", "strong", "unique", or "profound" and possess "conspicuous ability". It may be true, as Mr. Philip Guedella has remarked, that "no valet is a hero to his master. Dukes hold no mysteries for duchesses, and baronets seem scarcely wicked to their wives." But Mr. Brown is less discriminating. To him Congress is "the very pink of perfection". It is a perfection, however, which is threatened by the destruction of the party system and the substitution of government by groups. This "would be contrary to the basic principles of American government, a menace to the constitutional structure, since there is no provision therein for a plan of government such as a 'bloc' system would necessitate" (pp. 266-267). So far as the written constitution is concerned, however, one system is as much provided for as the other.

The group which causes Mr. Brown's uneasiness has been functioning since the first days of the Harding administration and its activities are described in Senator Arthur Capper's *The Agricultural Bloc* (New York, Harcourt, Brace and Company, 1922; vii, 171 pp.). Although dealing with one of the most interesting phenomena in recent American politics, this little volume makes rather dull reading. Its information and misinformation are both meagre. The "bloc" is defined as "that group of Members of Congress who have recognized that an economic upheavel [*sic*] threatens the Nation if the foundations of our prosperity are weakened" (p. 3). In attempting to prove that the "bloc" was organized to strengthen our "foundations" and that it possesses the true political gospel, Senator Capper makes some doubtful economic assumptions as to the importance and condition of the farmer. It would have been better for him frankly to admit that the "bloc" was the child of agrarian discontent and the parent of class legislation. Special groups in Congress, out to protect special interests, are far from uncommon, and the chief difference in the present case is the absence of camouflage. Of course the party leaders inveigh against such an avowed group, but political pots never hesitate to asseverate the color of political kettles. Senator Capper does give some facts in respect of the beginnings of concerted action at a meeting called by Senator Kenyon in May, 1921, and lists the "bloc's" legislative achievements, but he says little that is not known to any newspaper reader. He could have told an interesting story of the way in which negotiations with the party leaders were carried on, the details of the

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deals that were made, the methods of coercion that were used, the compromises that were necessary within the "bloc" and the reasons for defeats such as that, for example, on the packers' bill. The "bloc" consented to the extraction of the child's teeth in order to save its life. Senator Capper is one of the leaders of the agricultural group and he must, therefore, possess more political sophistication than his book discloses.

Federal legislation is also influenced by extra-congressional groups and the program of one of the most important of these receives attention from Miss Mollie Ray Carroll in a Hart, Schaffner and Marx prize essay, *Labor and Politics: The Attitude of the American Federation of Labor toward Legislation and Politics* (Boston, Houghton Mifflin Company, 1923; xix, 206 pp.). The essay is a well-documented account of the pronouncements of the Federation on many different legislative proposals to redress grievances and to secure special privileges. Strikes and boycotts, compulsory arbitration, union incorporation, unemployment, child labor, hours of labor, sanitation, safety appliances, workmen's compensation, industrial insurance, the union label, convict labor, immigration, the judicial veto — these are some of the subjects dealt with. The result is a tolerably complete survey of social legislation from the standpoint of an organization chiefly interested in it. Miss Carroll's purpose is apparently narration, not analysis, and another, and different, book could be written on the subject of labor and politics in the United States. It would deal at length with the attitude of the American Federation of Labor toward a third party (a matter to which Miss Carroll gives brief consideration); with the possibilities (and morality) of "direct action" for political purposes (*e. g.*, for railroad legislation), and with the Federation's present political activities. In 1920 Mr. Gompers boasted that fifty congressmen who were hostile to labor had been defeated, while an equal number of candidates, "whose records show fair and considerate service" had been elected. In single-member constituencies a small number of voters may hold the balance of power and, if united, may control the election. The Anti-Saloon League made this discovery and acted upon it, with some success. There is no prohibition against the Federation's trying similar tactics, on a large and well-organized scale. Nor will the subject of labor and politics be exhausted without a detailed discussion of the powerful lobby which the Federation maintains in Washington and which has had a material influence on congressional action and inaction.

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The most powerful (and interesting) lobby in Washington, however, is probably that maintained by the Anti-Saloon League. "The Anti-Saloon League was the power of which Congressmen and Legislaturemen alike stood in fear. Never in our political history has there been such an example of consummately organized, astutely managed, and unremittingly maintained intimidation." So writes Mr. Fabian Franklin in *What Prohibition Has Done to America* (New York, Harcourt, Brace and Company, 1922; iv, 129 pp.). In Mr. Franklin's opinion it has done a-plenty, and he expresses his opinion so forcibly and extremely that his tract might almost be entitled "What Prohibition Has Done to Mr. Franklin". "How the Eighteenth Amendment is a crime against the Constitution of the United States; how it violates the principle which lies at the bottom of respect for law; how it makes for despotism, whether by a majority or a minority"—these are the aspects of prohibition that are considered. But if it is true that the federal system has been jettisoned; if individual liberty is gone because the right to liquor no longer has constitutional protection; if the amendment was forced through on the theory that the end justifies the means; if it came as a thief in the night (a point on which Mr. Franklin is not altogether convincing); if prohibition is closely akin to socialism; if the enforcement act is effective only against the poor and not against the rich; if we are a nation of lawbreakers — if all these things are true, prohibition has done something more, and perhaps something good, to America, but Mr. Franklin is not interested in it. He confines his discussion to "fundamental issues"; there is, he says, an advantage "in keeping to the high points" (p. 126); it "is unnecessary to appeal to statistics" (p. 127) and he appeals instead to "familiar experience". He appeals, indeed, to *a priori* political conceptions. But it is "statistics" and "facts" that Mr. Franklin must appeal to if he wishes to answer the question that he has put to himself. Perhaps it is too early to answer that question; perhaps it can never be answered. Mr. Franklin was a professor of mathematics before he turned publicist, and he would not attempt to solve a mathematical problem by ignoring one of its important factors. So in polemics he must deal with all the factors even though they may be incommensurable.

The Hon. Clive Bigham's *The Prime Ministers of Britain, 1721-1921* (New York, E. P. Dutton and Company, 1922; x, 370 pp.) is a useful compendium of facts concerning the personal works rather than the legislative achievements "of the thirty-six men who have

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held the helm of state since the present political system began" in England. In spite of this restricted purpose, however, it gives an adequate, if somewhat cursory, political history of England, and its interest will not be confined to those who take to heart Disraeli's dictum in *Contarini Fleming,* "Read no history, nothing but biography, for that is life without theory". There is little theory in these sketches. They begin with Walpole and end with Lloyd George, and they do justice—even more than justice—to their subjects. The author is no iconoclast. He punctures few illusions. The sketches rarely scintillate but they are rarely dull, and their author, who has thumbed innumerable biographies and letters, has a flair for picking facts and incidents and quotations that give adequate pictures. The slips are few. It was in 1905 not 1907 that the office of Prime Minister received a ceremonial if not a legal recognition by a Royal Proclamation giving him "place and precedence"; legislative recognition has now been formally conferred by the acceptance of the Chequers Estate as a residence for the Prime Minister—a matter which the author mentions only as one of the perquisites of the office. There is an interesting, concluding chapter entitled "Analysis of Prime Ministers". The thirty-six gentlemen have headed fifty-two administrations. In France, during the first fifty years of the third Republic there were thirty-seven Présidents du Conseil, and for the same period in England there were only eight Prime Ministers and thirteen administrations. Twenty years was the average time that the English leaders spent in office, and forty-four years was the average parliamentary tenure. The American Democracy does better—or is it worse?—than that. The author also gives some interesting facts as to the social origins, education and family connections of the Prime Ministers. The fathers of more than three-fourths of them "and the grandfathers of more than half had sat in Parliament before them. Three of them had fathers or fathers-in-law, and four had brothers or brothers-in-law who were also Prime Ministers. There were numerous instances of more distant relationships; indeed, the argument of family connection could be carried to almost any extent" (p. 351). If we except the assistant secretaryship of the Navy—an exception which is not likely to prove spectacular—there are no similar traditions in the United States; and in France, Caillaux is the only living ex-cabinet-minister whose father was in a French Cabinet.

French as well as English politicians receive attention in *The Pomp of Power* (New York, George H. Doran Company, 1922;

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291 pp.). The anonymous author makes few if any revelations, but he writes with a background of information that was obviously acquired from the inside of things. His French phrases suggest that he is not a Frenchman, and marked stylistic vagaries, as well as quoted interviews with various personages, ought to make identification rather easy. To Americans, however, the book is interesting not for its authorship but for what it says. It covers a great deal of ground: the Anglo-French entente, the indecision of Sir Edward Grey in the crucial days immediately preceding the outbreak of hostilities, the plans of the French general staff, Joffre, Nivelle, the controversies between the French politicians and generals and between the generals themselves; the fight for a unified command; Asquith, Lloyd George and Northcliffe, the French political world with particular reference to Caillaux; Russia, and the Paris treaty. The author is more interesting on politicians than on politics. What he says about the Treaty and the future of Europe under it is either platitudinous or intransigent. On those who were in positions of power, however, he is more worthwhile. He is severe with Joffre and he deals at length with the machinations of Colonel Repington and General Robertson. Indeed, as the impious pens of successive writers slash the veils from the military "heroes" of the war the fact of victory becomes more and more mysterious. Much that the author of *The Pomp of Power* says is, of course, highly controversial; authorized defenses, charges and countercharges are now almost continuous, but in the final summing up, some of the facts here dealt with will have to be taken into account. The proofs are overwhelming that the volume had no proofreader.

A comparison of Mr. Maurice L. Gwyer's edition of the first volume of Anson's classic treatise on *The Law and Custom of the Constitution* (vol. I, *Parliament,* fifth edition, Oxford, Oxford University Press, American Branch, 1922; xxv, 443 pp.) with the last edition brought out by Anson himself in 1909 shows in detail the changes effected during the past dozen years in that part of the English constitution which has to do with Parliament. The restrictions on the powers of the House of Lords in 1911, the sweeping extension of the parliamentary franchise in 1918, the admission of women to the House of Commons by statute in 1918 and to the House of Lords by decision of the Lords' committee of privileges in 1922, the establishment of the Northern Ireland Parliament under the Government of Ireland Act of 1920, the formal severance in 1922 of the Irish Free State from the parliamentary system estab-

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lished by the union of 1800, changes in the procedure of the House of Commons made during and since the war, and the delegation of discretionary legislative power to the executive government by the Defence of the Realm Act—these are only some of the more conspicuous events in the history of Parliament since 1909. In bringing Anson's text up to date the present editor has been obliged to refer to more than thirty recent statutes. He has shown skill and fidelity in weaving the supplementary matter into the fabric of Anson's exposition without altering the pattern of the original. Here and there he has been able to condense portions of the earlier text so that even with the addition of appendixes dealing with Ireland this edition is less than forty pages longer than the 1909 edition. It is to be hoped that we may soon have Mr. Gwyer's revision of the remaining volumes of this great work.

A book that will be bought and sold by title only is *Minimizing Taxes* (Kansas City, Vernon Law Book Company, 1922; xii, 706 pp.) by Mr. John H. Sears of the New York Bar. There are 106 pages dealing with the alluring topic announced by the title. These inform folks that they may escape corporation taxes by not forming corporations, may escape taxes on mortgages by not owning them, and may escape a personal tax in one state by moving to another. The matter is not quite so crude as this way of putting it implies, but it is crude enough in all conscience to warn prospective purchasers to examine the contents of the work before making a complete surrender to the charm of its seductive title. Part II, consisting of about 550 pages, contains a useful abstract of the taxing laws of the United States and of the several states.

A welcome addition to the books for courses in law for students of business is *Cases on Business Law* (St. Paul, West Publishing Company, 1922; xxix, 1563 pp.) by William Everett Britton and Ralph Stanley Bauer. The material consists chiefly of judicial opinions with short introductory sections by the authors. The major heads are the traditional legal topics with which business men come most frequently in contact. Only in the sub-heads is there suggestion of arrangement from the so-called functional approach. It may be doubted whether the book is of the best kind for the needs of business students, but there is no doubt that of its kind it is the best. Teachers who are facing the choice of a book for use in schools of business will find valuable help in a nine-page essay on "The Modern Business Law Book" by Mr. Karl N. Llewellyn in the January, 1923, issue of the *Yale Law Journal* (volume 32, pages

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299-307). Here is not only a general discussion of standards but a detailed analysis of the several works in the field.

"The main purpose of this essay is to gather up whatever material is to be found in psychological science that offers help in dealing with" production, economic welfare, value and distribution. So writes Dr. Zenas C. Dickinson in the author's preface to *Economic Motives, a Study in the Psychological Foundations of Economic Theory, with Some References to Other Social Sciences* (Cambridge, Harvard University Press, 1922; vii, 304 pp.). And to this end the first two Parts of the book are devoted to a clear if unoriginal restatement of psychological science, following in the main the attack of Thorndike and Woodworth with liberal reference to MacDougal. Part III considers the present state of economic psychology and goes on to discuss in particular utility and cost, the "valuation process", saving and work, in the light of psychological dicta. If no very specific or positive conclusion appears, this is due less to the author's fault than to the meager results of research thus far conducted in the fields of which he writes. "The conclusion emerges", as Dr. Dickinson says, "that psychological problems of economics are at present to be attacked more effectively by the ordinary methods of economic science, which consists of statistical analysis of the behavior-data, relevant to the case, than by means of psychological principles." This conclusion is fully warranted from the text itself. The latter is bound to appear disappointing to one in search of finalities. But the evidence is well presented; the scholarship of the volume is more than adequate. It is a pity, however, that such an effective presentation regarding motivation in economic life could not have profited by the new and incisive commentary, relevant at many points to precisely this problem, which Professor John Dewey has just given in his *Human Nature and Conduct*. With the additional psychological data which it presents, one has the feeling that some of Dr. Dickinson's conclusions might have been different in important particulars. This is precisely the penalty, however, of which the student applying the findings of one science in the field of another, is in danger. Yet the vitality of the subject-matter is itself a challenge.

Mr. Fisher's essay on the way in which accidents occur even when industry is at pains to provide mechanical safeguards is instructive in every way. He has performed a unique service for managers, safety engineers and industrial consultants in his *Mental Causes of Accidents* (New York, Houghton Mifflin Co., 1922; xii, 314 pp.)

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by bringing together in such readable and telling form the facts that should be borne in mind as to the mental lapses for which a considerable fraction of accidents are to blame. He does his work of popularizing, simplifying and applying the results of recent psychological scholarship with real discrimination, and the result should be that readers for whom the book is designed will carry away a point of view about accident prevention which will lead to important corrective developments. It is on this constructive side, however, that the book is least effective. Its chapter on Accident Hygiene is not on the same level of practical helpfulness that the rest of the book reaches. The consideration in this chapter of the place of employees' shop committee activities in helping to educate workers to habits of safety is far from being as strong a case as could be made. The final chapter on "what to read in psychology" should prove a useful guide to lay readers. Although the volume lacks an index its educational merit is great.

While there have been many changes in its outward aspects, the essential nature of modern industrialism has during the past twenty years remained the same. Thus instead of writing a whole new book, Frank L. McVey has found it possible to refurbish and completely to modernize his *Modern Industrialism* (New York, D. Appleton and Co., 1923; xvi, 358 pp.) originally published in 1904. In the main the book remains the same as before, although the growing importance of the Orient, the intensification of the problem of taxation, and the wide interest in a more democratic form of control in industry have made it advisable to add chapters dealing with these topics. In other parts of the book material has been brought down to date. The book stands, therefore, as a general study of the historical background and the present status of modern industrialism, of the nature and character of its organization, and of the problems of social control related to it.

One of the most useful books in business research that has appeared for a long time is Dr. W. G. Steiner's *The Mechanism of Commercial Credit* (New York, D. Appleton and Co., 1922; xv, 375 pp.). Not only does the author give in Part I a very satisfactory discussion of factors which govern credit terms but he supplies as well in Part III a carefully arranged collection of data of credit practices now employed in the different lines of business. These data were gathered by Dr. Steiner in his capacity as Acting Chief of the Division of Analysis and Research of the Federal Reserve Board. They may, therefore, be regarded as authoritative. Part II of the book is concerned with the interesting controversy over the

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Trade Acceptance. Dr. Steiner seems to think that no final conclusions can yet be drawn, although he believes that a process of experimentation will reveal that there are certain fields where the trade acceptance will prove soundly serviceable.

Professor Lassar-Cohn, the German chemist, is well known as a writer who can present in a popular and entertaining manner the mysteries and accomplishments of science. He has recently stepped beyond the boundaries of his chosen realm of chemistry to render a service in the field of money. In his *Gold und Papiergeld* (Leipzig, Leopold Voss, 1922; 92 pp.) he tries in his simple and straightforward manner to show just what "*goldwährung*" (in other words a "gold standard") really means. He apparently holds the familiar bullionist conception of money value and he endeavors to establish the validity of this theory through an historical discussion of the gold standard. Here naturally he becomes involved in some difficulties of monetary theory and he slips into positive error when he states (page 49) that the U. S. Treasury established a ten per cent premium on gold bullion. His discussion of iron in which he contrasts the technical development implied in its production with that of gold, is interesting as emphasizing a curious contrast, but it has no real importance so far as an understanding of gold as money is concerned. On the whole, though, it must be admitted that Professor Lassar-Cohn's excursion into the monetary field has yielded something of real interest to the general reader.

The disorganization of international trade caused by the World War and the financial difficulties which have accompanied this disorganization have given new importance to the study of the subject. Chief interest centers in the question of the balance of trade and the means relied upon to settle it. A valuable discussion of this aspect of the subject, and one which brings the whole matter down to date, is found in *The International Trade Balance in Theory and Practice,* by T. H. Boggs (New York, The Macmillan Company, 1922; viii, 221 pp.). Professor Boggs's discussion of the theory of the balance of trade in Chapter I, while containing not much that is new, is nevertheless complete and interesting. In the remaining chapters he examines, in the light of the theory, the history of the trade balances of the United States, Great Britain, Canada, India, Australia, New Zealand and South Africa. The currency and exchange difficulties involved in the mutations of the balances are also discussed. As a whole the book constitutes an interesting interpretation of an important division of economic theory and a valuable

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analysis of the experience of selected countries in the domain with which the theory is concerned.

The essential immorality of the continuous issue of paper money is a phase of the subject concerning which not enough is ordinarily said. It is, therefore, of interest and importance that a writer like Francis W. Hirst, the English economist and publicist, should publish an essay dealing primarily with this aspect of paper issues. In *The Paper Moneys of Europe* (Boston and New York, Houghton, Mifflin Company, 1922; 47 pp.), Mr. Hirst lays bare the iniquity of inflated paper currency. He shows that despite a full understanding of the implications governments in Europe followed the path of least resistance and have brought the European financial structure to the verge of ruin. The essay constitutes a significant addition to the Barbara Weinstock series on the Morals of Trade.

The Civil War was the occasion for many acts which could be justified only on the grounds of expediency and could be accomplished only by the widest possible stretching of that very elastic instrument, the Constitution of the United States. *The Disruption of Virginia* (New York, Macmillan Company, 1922; xiv, 328 pp.) by James C. McGregor relates the story of one of the most extraordinary of such acts, namely the admission of the state of West Virginia. The state of Virginia was divided by the Allegheny Mountains into two sections and prior to the Civil War no adequate means of communication had been established between them. Consequently, the two sections grew up apart; but the government was in the hands of the tidewater section because the newer communities of the transmontane section were not granted representation according to their population. This naturally created ill-feeling which bore fruit in the spring of 1861. When the tidewater section was leaning toward secession the leaders of western Virginia realized that such action would leave their section exposed to the north, make them an easy prey to any invaders, and destroy their economic prosperity. When Virginia seceded upon Lincoln's call for troops, certain second-rate politicians began to work for the statehood of West Virginia. Most of Professor McGregor's book deals with the success of these men in engineering the breaking-off of forty-eight counties from the Old Dominion and in obtaining their admission into the union, all with the connivance of the federal government. "The same group of men organized [two conventions]; called together and sat as members of the rump legislature; met one day as a convention and passed an ordinance setting up a new

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state; met the next day as the General Assembly of Virginia and gave their consent to the very act which they had agreed to the day before; created offices for themselves and fixed their own salaries" (pp. 247-8). The results of these irregularities were ratified by a carefully selected electorate in a region where there was little enthusiasm for and much hostility toward the new régime, and where Union troops were prudently stationed. Thereupon Congress admitted the new state under a constitution providing for gradual emancipation, and President Lincoln gave his approval on the grounds of expediency. Professor McGregor has written a full and clear account based upon a diligent survey of much heretofore unused material. His book will be welcomed by those interested in this neglected phase of Civil War expediency.

Charles C. Tansill's little monograph entitled *The Canadian Reciprocity Treaty of 1854* (Baltimore, The Johns Hopkins Press, 1922; 96 pp.) is one of the Johns Hopkins University Studies in Historical and Political Science and will, so we are informed by its author, constitute a chapter in his forthcoming "Life of William Learned Marcy". In its present form it is composed of three chapters and two appendices. In the first chapter, seven pages long, entitled "The Repeal of the English Corn Laws and Canadian Business Depression", Professor Tansill first briefly notes the prosperity which the grain-growers and milling interest of Canada enjoyed under the British preferential tariff system prior to 1846, and the attempt made by Canadian *entrepreneurs* during this same period to divert the greater portion of traffic through the Erie canal to the St. Lawrence route, which had been improved by the construction of a number of short canals. He then points out how the repeal of the Corn Laws in large measure destroyed this prosperity, ruined the successful operation of the newly completed canal system, and brought Canada to the verge of economic disaster. Chapter Two, of thirty-seven pages, is devoted to the story of the eight years of endeavor to secure some sort of a reciprocal arrangement between Canada and the United States; while the last chapter outlines the story of the conclusion of the treaty after W. L. Marcy had entered upon his duties as Secretary of State in the cabinet of President Pierce. The first appendix gives the *projet* of the treaty and the second the treaty itself. All things considered, the author has done a meritorious piece of work. It represents, as he says in his prefatory note, the first serious attempt to treat this problem

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on the basis of the original sources. The material from the Marcy diaries relative to the *projet* of the treaty, presented for the first time, is both illuminating and interesting. No less so are the instructions and confidential reports of Marcy's trusted agent, Israel D. Andrews. Surely no one can read this correspondence without reaching the conclusion that the liberal expenditure of money by a special agent of the United States for parties, coach hire, "presents" to legislators and others, and for "hiring" newspapers to publish special editorials and articles, played no small part in molding public opinion in the Lower Canadian provinces. While the work is both well written and well documented and should be read by every individual seeking information on this important subject, it could, in the opinion of the reviewer, have been improved in two or three respects. Professor Tansill does not always give us the underlying motives which actuated the legislators; perhaps this is too much to expect, but unless we do know these motives, whatever they may be, our story is incomplete. For instance, why did the Whigs oppose the Walker tariff bill, and why in Pakenham's opinion would they be likely to oppose Canadian reciprocity? Again, we should like to know why Senator Davis on July 20, 1848, moved to table a reciprocity measure, while in 1853 he was in a great hurry to have such a measure enacted. One gathers, from an examination of the footnote references, that the newspapers of the period were not consulted. In any piece of historical research of this nature it would seem that some light might be gleaned from such a source; certain it is that we should find reflected there to a greater or less degree the attitude of occupational groups: farmers, fishermen, manufacturers and shippers, towards the question of reciprocity.

The International Institute of Agriculture, with headquarters at Rome, is at present engaged in making an extensive enquiry into the measures taken by different countries during the Great War and after to increase agricultural production. As a part of this work an exhaustive report, entitled *The Maintenance of the Agricultural Labour Supply in England and Wales during the War* (Rome, Printing Office of the International Institute of Agriculture, 1922; 121 pp.), has been prepared by J. K. Montgomery, Chief of the Bureau of Economic and Social Intelligence of the Institute, indicating the nature of the problems which Britain faced in maintaining an adequate supply of agricultural labor during the great conflict. It elaborates the measures adopted to meet these problems which, the

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report shows, were of two distinct types. The first, to which Chapters I and II are devoted, provided for the retention of certain classes of agricultural laborers on the land by exempting them from military service or delaying their entry into the army. The second series, discussed in Chapters III, IV and V, provided for replacing the mobilized laborers and for supplying additional labor. These measures, which took many forms, included the use of detachments of soldiers, released on furlough, to work on the land; prisoners of war and interned civilians; conscientious objectors; women; Belgian refugees; imported laborers from Denmark; schoolboys and schoolmasters. The Agricultural Wages Board and the minimum wages fixed by it are carefully analyzed in Chapter VI. This report merits the attention of all those who seek information relative to the means employed by England and Wales to assure the country an adequate food supply in time of war.

The prevailing notion that the public career of the Cardinal de Richelieu was devoted almost entirely to diplomacy and to matters purely political and religious, is shown to be quite erroneous by Professor C. Palm of the University of California in his scholarly monograph entitled *The Economic Policies of Richelieu* (Urbana, University of Illinois, 1922; 202 pp.). The author has proven beyond question that the famous Cardinal was not only a gifted statesman but an able economist versed in all the economic conceptions of his time. He moreover shows that the goal of Richelieu's ambition was to make France a great commercial and industrial nation, and that many of his administrative reforms were shaped to this end. The chapters devoted to French finance, agriculture, marine, colonization, industry and commerce are extremely interesting and valuable in that they throw a flood of light upon the Cardinal's economic achievements and his desire to make France a great mercantilistic state. The work is based largely upon the writings of Richelieu and especially upon his *Testament Politique*. No student who would understand the age of Richelieu can afford to overlook this contribution to a phase of history too much neglected in the past.

It is estimated that in England alone the recent war produced records equal in bulk to the total previous contents of the Public Record Office. How are these to be preserved? or should many of them be destroyed? The problem of the housing and preservation of official documents was already acute; it has now become doubly so. It is probably this consideration which led the editors of the *Economic and Social History of the World War* to include in the

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series *A Manual of Archive Administration including the Problems of War Archives and Archive Making* (Oxford, Clarendon Press, 1922; xix, 243 pp.). The author, Hilary Jenkinson, is admirably equipped for the task and he has produced a useful and suggestive outline. He writes as a specialist and largely for specialists; much of the book is concerned with technical details of interest primarily to archivists. Certain aspects of the problem have, however, a wider appeal. The author's discussion of the means employed in guaranteeing the authenticity of archives, his definition of the proper function of the archivist, and his proposals for the reduction of the bulk of archival material without impairing the value of the archives—these are some of the questions which the student of the social sciences, especially, would find interesting. The timeliness of the book consists in the discussion of the latter point. Some method of destruction must be employed. It is argued that neither the archivist nor the historian is competent to decide which records should be destroyed and which should be preserved. The competent authority is the administrative body concerned in the production of the records. Such a body should organize a Registry, the duty of which would be to calendar all records, preserving some, marking others for destruction. The criterion should be the value of the document in question to that office. ". . . . for an administrative body to destroy what it no longer needs is a matter entirely within its competence and an action which future ages (even though they may find reason to deplore it) cannot possibly criticize as illegitimate or as affecting the status of the remaining archives. . . . . provided that it can refrain from thinking of itself as a body producing historical evidences." For the historian this seems a hard saying.

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